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ARGENTINA

ROJAS EXPRESSES OPINIONS ON BEAGLE, CORPUS ISSUES

Buenos Aires LA PRENSA in Spanish 5 Oct 78 p 13

[Text] The former vice president of the nation, Adm (Ret) Isaac Francisco Rojas, on initiating a tour of towns in Patagonia, and referring to the boundary dispute in the Beagle Canal zone, declared that "I do not know what reasons the Argentine and Chilean governments have for being optimistic," although he pointed out that it is not his intention to "make a military harangue" or "inflame spirits."

Happy Ending

He added: "For myself, I believe that the ending would be happy if at the same time it is fair, that is, if only the rights of the Argentine Republic to have absolute sovereignty east of the meridian of Cape Horn is recognized.

"That means, plainly and clearly," he continued, "the return of Picton, Lennox, and Nueva Islands and all the rest existing in the Atlantic Ocean up to Cape Horn, including the Atlantic coasts of islands which are partly in the Pacific and partly in the Atlantic Ocean."

Admiral Rojas answered in this fashion when he was asked his opinion on the fact that "a marked optimism is noted in the highest government authorities of Argentina and Chile with respect to reaching a happy ending through peaceful means."

Rojas made these statements shortly before leaving for the city of Viedma, first step in a tour through different Patagonian cities which he will carry out until the middle of next week "because I have commitments which call me to Buenos Aires."

Lectures

The former vice president of the nation will also visit Trelew and the high valley of the Rio Negro, and at each stop he will give lectures on the boundary dispute with Chile and on the use of the Parana River by Argentina, Brazil and Paraguay.

Questioned at the airport, Admiral Rojas explained that through the talks he intends to make "We shall repeat what seems to us in all conscience should be done," about the southern boundary dispute.

The Upper Parana

"We are not going to make a military harangue in any way, nor inflame spirits," he pointed out, and he emphasized that "we are only going to mobilize minds, as I always say, and in passing we are going to talk about the question of the upper Parana.

"Because it is not a matter," he continued, "of signing an agreement with Brazil and Paraguay which brings us tranquility but at the same time is unsuitable for permanent Argentine interests."

Further on, Rojas said that the "primary function of the upper Parana, as far as the Argentine Republic is concerned, is not electricity but navigation, that is what history and geopolitics teaches us."

The Height of Corpus

Admiral Rojas also said that "if Corpus (the dam which Argentina and Paraguay are planning together) is built with a height of less than 120 meters, we shall have done irreparable harm to the interests of the Argentine Republic and we shall have contributed to facilitating Brazilian policy which **has** always tried to isolate our country."

8908

CSO: 3010

ARGENTINA

RAMIFICATIONS OF LEBANESE CONFLICT ANALYZED

Buenos Aires LA PRENSA in Spanish 8 Oct 78 p 5

[Editorial: "The Struggle in Beirut"]

[Text] Up until Saturday night, when the UN Security Council meeting at the request of President Carter urged "an immediate and effective ceasefire" in Lebanon, obtaining then a precarious truce, the struggle in Beirut between Syrian soldiers and the Christian militia reached such a magnitude that observers were unanimous in declaring that not even in the most intensive periods of the Lebanese civil war of 1975-76 had the clashes reached the destructive and bloody extremes of these days. In the first week of this month, artillery duels between the fighting bands and the bombings by the Syrian aircraft had destroyed practically one-third of the buildings in Beirut, at another time the burgeoning capital of Lebanon. The number of casualties suffered by the Syrians and Christians has not been revealed in convincing figures but it is believed that they are undoubtedly large if one takes into account the tremendous firepower of the weapons used in the battles. It is believed that the Christian groups are facing serious difficulties deriving from the lack of water and bread, rationed at the rate of one cup and one portion per day per person. However, latest news coming from the firing lines do not show that a victory of the so-called Syrian "peace forces" is at hand, forces which in turn are facing the severe reply by the Christians.

However, as much or more concern on the effects of this new phase of the civil war initiated 3 years ago, although interrupted frequently by truces and ceasefires such as the present, is generated by the imminent possibility of an internationalization of the armed conflict, something which is feared after the recent intervention by several Israeli gunboats which shelled the Moslem districts of Beirut in keeping with an action plan, which although admitted by the Israeli government, has not been revealed in its details. The Jewish state once more appears in the Lebanese civil war several months after it invaded the southern zone of that small country to dislodge Palestine formations which had advanced beyond the Litani River, not to mention the times that armored and air forces attacked Arab guerrilla settlements periodically in that zone, now under the control of the United Nations after the withdrawal by Israel. The danger of an internationalization of the conflict between the Syrians and the Christians in Lebanon

has alerted the foreign ministries, which because of their links with Middle East affairs, have something to say in this crisis. Washington supposedly suggested a "moderate attitude" while engaging in urgent contacts with Moscow, at the same time that Brezhnev at the time of the visit by Syrian President Assad to the Kremlin, fired a high shot but aimed at a very specific target: "Any agreement in the Middle East should pass through Geneva which has two cochairmen, the United States and the Soviet Union, with all the rights and duties this entails. And while in Washington they tend to forget this, we remember it well and will act accordingly."

Exactly as the intensification of the struggle in Lebanon from the very beginning entered into the framework of the reactions that it could provoke in the Arab World, so did the signing of the Camp David Agreements affect Moscow. The intention of the countries of the Arab "rejection front," which consists of provoking Israel so that it will come to the defense of the Lebanese Christians, as it has already done in the southern part of the country, appears to be aimed at hindering the peace talks about to begin between Egypt and the Jewish nation. However, the intervention of Israeli torpedo boats off the coasts of Beirut has been more in the nature of a warning than an active participation in the struggle.

But the tilting of the scales of the war against the Lebanese Christians in case the truce is broken, could provoke an even more open intervention by Israel. Russia, for its part, promised the Syrian president a "multi-faceted support." Syria as well as Moscow speculate on what the attitude of Egypt will be in case Israel attacks the Syrian soldiers. But Cairo behaves as if it were aloof, in another world away from that possibility. Sadat has just finished saying that the "the bringing of peace, the consolidation of democracy and prosperity of the country are the three basic pillars of national activity." He is so convinced of the new thrust of things that he ordered a halt to all censorship of the press and the dissolution of the corresponding official agency which was responsible for that task. Israel, in turn, maintains a calm attitude, not giving any indication whatsoever of what it will do in case fate goes against the Lebanese Christians.

8908
CSO: 3010

ARGENTINA

MONTES DISCUSSES TERRORISTS WITH ARAB AMBASSADORS

Buenos Aires LA PRENSA in Spanish 6 Oct 78 p 8

[Text] Minister of Foreign Relations and Worship Vice Adm Oscar A. Montes yesterday sent for the Arab country ambassadors, with whom he studied aspects of the situation in the Middle East.

He also considered the situation caused by contacts maintained between leaders of the Palestine Liberation Organization (PLO) and Argentine subversive organizations with the Syrian and Algerian ambassadors.

In the cases of Algerian Ambassador Taieb Boulahrouf and Syrian Ambassador Abdul Salam Akil, both made statements at the end of the audiences.

They said that Minister Montes expressed the concern of the government about stories heard here on meetings between the PLO and some subversive chiefs of our country.

They added that a second subject of the talks was the consideration of the Argentine position toward the recent three-way meeting at Camp David and its effects on the future of that region.

Among his audiences for the day, Minister Montes also received the Egyptian Ambassador Zamih E. Zayed, although it could not be confirmed if the same subjects were discussed.

Officially, no information was provided on these audiences.

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CSO: 3010

ARGENTINA

FOREIGN DEGREE REQUIREMENT FOR POSITION CRITICIZED

Buenos Aires LA NACION in Spanish 18 Oct 78 p 8

[Text] "It is considered desirable, although not necessary, to be a graduate with a degree of master in economics obtained abroad." This suggestion appeared in an advertisement seeking candidates for a high position--national director of agricultural-livestock policy--in the Secretariat of State for Agriculture and Livestock Raising. Prior to this, the required university degrees were listed. We do not know what the Argentine universities think of this. Obviously, to have such a degree would mean a greater chance to obtain the position. Let us make it clear: there can be no objection of those who improve their studies or professions abroad. On the contrary, such an action is a benefit for the country. However, one cannot fail to feel a disagreeable sensation when the nation recruits its officials and expressly indicates the advantage of having a degree obtained abroad, that is, when it directly confesses its dissatisfaction toward the capabilities provided by the Argentine universities. Without falling into puerile patriotic positions, we also believe the attitude that is based on the prejudice of supposing that everything that comes from abroad is better, is unfair and mistaken.

In the particular case of which we speak, the action appears to be doubly erroneous because the position for which candidates are sought is of an essentially political and not scientific or technical nature. As a result, to "fulfill and update national policies and plans," it does not appear prudent to prefer men trained abroad over others, who are perhaps fully informed of a social and political reality, something no foreign course can provide, although perhaps it provides a professional or technical training of a higher level.

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CSO: 3010

ARGENTINA

ARMY CHIEF VIOLA ANNOUNCES PROMOTIONS

Buenos Aires LA PRENSA in Spanish 7 Oct 78 p 14

[Text] Rosario, Santa Fe (NA)--Army Commander in Chief Lt Gen Roberto Viola announced that Brigadier Generals Jose Montes, Oscar Bartolome Galino, Luciano Adolfo Jauregui and Antonio Domingo Bussi will be promoted to major generals at the end of this year.

Viola said that he has personally already notified the generals mentioned of the decision when he called them for that purpose to the Libertador building, his headquarters, last week.

He was asked about the denial made by headquarters days ago with respect to stories which unofficially gave the names of generals who could be promoted and said that it was "an act of respect for those generals, since there was no reason at all for publishing stories that affected them."

The chief of the army made his revelation here in a talk with newsmen held shortly before his trip to Formosa where he presided over a ceremony honoring the 12 military men murdered by subversives on 5 October 1975 in the unsuccessful attempt to over power the 29th Mountain Infantry Regiment.

The military machinery which traditionally governs promotions in the armed forces, would oblige the brigadier generals who have more seniority than those promoted to go into retirement.

In this case, the one with least seniority of those promoted is General Bussi, which could mean that those with more seniority than he, who were not included in the promotions, could go into retirement. They are Brigadier General Fernando Santiago, the present national director of the gendarmerie; Joaquin de las Heras, subdirector general of Military Fabrications; Andres Anibal Ferrero, deputy commander of the First Corp; Angel Ziadi, director of Hierro Patagonico and Sierra Grande, and Adolfo Sigwald, military attache in the United States of America.

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CSO: 3010

ARGENTINA

MONTES CONVEYS REQUEST FOR CEASEFIRE IN LEBANON

Buenos Aires LA NACION in Spanish 7 Oct 78 p 4

[Text] The minister of foreign relations and worship, Vice Adm Oscar A. Montes, yesterday received the ambassadors of Syria and Lebanon, to whom he presented the request by our country for a ceasefire in the latter Arab country.

According to both diplomats at the end of the two audiences, the joint request with other western countries (among them Italy, Spain and Sweden) is motivated by the need to evacuate diplomatic personnel and the wounded who have been isolated in sectors of Beirut as a result of the latest incidents in the region.

Lebanese Ambassador Fouad Turk declared that the Minister made such a request to him and that he would forward it to his authorities. In turn, Syrian Ambassador Abdul Salam Akil, after explaining the reason for the convocation, said that he told the minister of his country's position. He recalled that Syrian troops present in Lebanese territory have been there for some time at the request of the government of President Sarkis. Sarkis, he added, "is not a party to the conflict."

With respect to the request for a halt in hostilities, he said that it should be made to Lebanese authorities because Syrian troops are under their command in compliance with an agreement between the two governments.

From the Israeli Ambassador

Prior to these meetings, Vice Admiral Montes received Israeli Ambassador Ram Nirgad.

Leaving San Martin Palace, the diplomat declared that during the meeting bilateral subjects and a broad view of the situation in the Middle East were analyzed, excusing himself from providing more details of the conversation.

Actions by European Ambassadors

The ambassadors of France, Spain, Italy and Sweden also went to the Foreign Ministry yesterday where they carried out activities linked to the request for a ceasefire in Lebanon. Argentina is also participating in this.

A San Martin Palace spokesman indicated that these meetings were held separately between the foreign diplomats and officials of the West Europe department of this ministry.

It was explained that negotiations were initiated by the representatives of those countries accredited before the Lebanese government because of the isolation in which some embassies find themselves in Beirut.

Subsequent to these negotiations, they were made known abroad by means of communications with Italy and with our country's embassy in Rome from where they were immediately communicated to the Foreign Ministry in Buenos Aires.

In conclusion, the source said that the general desire is that a complete cessation of hostilities be achieved in that Arab country. The ambassadors who visited the Foreign Ministry are: Enrique Perez Hernandez of Spain; Francois de la Gorce of France; Enrico Carrara of Italy and Karl A. Wollter of Sweden.

8908

CSO: 3010

ARGENTINA

SOCIALIST ACCEPTANCE OF NATIONAL SUBVERSIVES DRAWS PROTEST

Buenos Aires LA NACION in Spanish 7 Oct 78 p 8

[Editorial: "Hosts to Subversion"]

[Text] The disconcerting move by Austrian Social Democrats, who brought the remnants of one of the notorious subversive organizations of our country into the Socialist International, has been up to now one of the most revealing facts about the ignorance with which certain political circles abroad observe the Argentine situation. It is an attitude which at the same time makes evident the no less surprising superficiality of a party which, moreover, is governing one of the western democracies concerned with confronting the ravages of terrorism.

The immediate reaction by various Argentine politicians, whose perplexity is surely no less than the vast list of crimes committed by the subversive group of the past, cannot be a cause for surprise. The archives of the international press, filled with episodes which in their time shook our country and a good part of world public opinion, have not been enough, it appears, to refresh the memory of those unconcerned hosts of violence. Neither are they enough to make them review, even if no more than by way of illustration, the ideological twists and turns of that organization which came into public prominence with the kidnaping and murder of Lt Gen Pedro Aramburu, cynically related by its authors in their own newspapers, and it continued to grow with other no less notorious crimes, adding to their record the highest ransom ever paid up to the present to international terrorism. The confused origins in Catholic nationalism of its founders, its passage through "national socialism," and its successive alliances with the most radicalized wings of Marxism-Leninism, are the marks, which together with their identification with Fidel Castro and their contacts with Arab terrorists, characterize the group which now attempts to blend into the Social Democrat group.

Paradoxically, through an Austrian party, ignorant also--what doubt can there be--a former governor of Buenos Aires with old sympathies for Naziism is their guest.

Such a grotesque contrast--the hosts and the guests--would make one think of a sort of a curse whereby that which no longer deceives anyone here serves to confuse those who because of political experience feel they are qualified to make decisions in the name of respectable sectors of opinion.

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CSO: 3010

ARGENTINA

'LA NACION' COMMENTS ON FRENCH INTERVIEW OF FIRMENICH

Buenos Aires LA NACION in Spanish 7 Oct 78 p 4

[Text] The official news agency TELAM, in a news dispatch referred to a two-page article published by the French daily LE NOUVEL OBSERVATEUR on the subversive Montonero criminal Mario Eduardo Firmenich and signed by reporter Francois Schlosser, which we reproduce as follows: The agency states that "Firmenich, who is presented as a political refugee," in the article views the enthusiastic participation of the people during the Sixth World Soccer Championships held this year in Argentina "as a massive demonstration against the present government and a demand for quick elections."

The person interviewed makes repeated professions of democratic faith and declares that after the Argentine sports victory groups shouted in the streets: "Argentina, champion, we want elections."

Firmenich began his career in the terrorism, which assailed Argentina, with the kidnaping and murder of the former president of the nation, General Pedro Eugenio Aramburu, and he continued it with other resounding crimes and attacks.

In his statements to LE NOUVEL OBSERVATEUR, he refers to the organization of Montonero criminals and says: "We were part of the largest mass movement of the Argentine people, that is, Peronism." At no time does he speak of the Marxist position adopted by the Montoneros and their alliance with other Marxist-Leninist groups in and out of Argentina.

On 9 June 1973, when the Montonero guerrilla movement was still active legally, Firmenich declared: "Our strategy continues to be complete war, that means war which is carried out everywhere, at all times and by every means, with the participation of all the people in the struggle and using the most varied methods of action ranging from civil resistance, mobilizations and the use of arms."

The Montoneros claimed, in addition to the murder of Lt Gen Pedro Eugenio Aramburu, that of former General Confederation of Labor (CGT) Secretary General Jose Rucci; that of the former director of the daily EL DIA of La Plata, Dr David Kraiselburd; the former minister of interior and president of the Chamber of Deputies of the nation, Dr Arturo Mor Roig; the president of the directorate of the Concepcion mill, Engineer Jose Maria Paz; Police Corporal Rodolfo Horacio Lezcano of the province; the manager of Surrey, Luis Arce; Chrysler foreman Antonio Gomez; police agent Oscar Vazquez; two railway police in Villa Adelina on 5 May last year, identified as Cuparo and Leguizamon Vidal; fireman corporal Alberto Oscar Lozaso in Tucuman; the foreman of the Concepcion mill in Colonia Luisiana, Jose Domingo Gomez; in Rosario, the manager of Daneir and Icsa, Hugo Mamana; Retired Colonel Angel Arturo Sureda in Temperley; and on 14 June 1977, they murdered the commander of gendarmerie, Julio Manuel Reese.

Also attributed to that subversive band are the murders of former chief of Federal Police, Brig Gen Cesareo Angel Cardoso, on 18 June 1976, the serious attack on the life of former Foreign Minister Vice Adm Cesar Augusto Guzzetti on 8 May 1977, and the attack in La Plata on 9 November 1976 against the Buenos Aires police headquarters, causing the death of one person and seriously wounding 10 others, among them the deputy chief of the institution Col Ernesto Guillermo Trotz, whose arm had to be amputated.

They also were active in the takeover of the powder factory in Villa Maria, Cordoba Province, on 2 June 1971; the capture of the guard of the Institute of Scientific and Technical Research of the Ministry of Defense on 20 April 1971, and the attack against the Subsecretariat of Planning of the Ministry of Defense, which resulted in 9 deaths and 19 persons seriously wounded, made by Monotonero Jose Luis de Dios on 15 December 1976.

In addition to this incomplete list of murders committed by Montoneros, who according to Firmenich espouse "a policy of pacification and return to democratic life," the subversive band in question committed many seizures and attacks with bombs and projectiles which resulted in a high total of victims and destruction.

8908
CSO: 3010

ARGENTINA

ATTEMPT TO UNDERMINE CANCER CONGRESS DECRIED

Buenos Aires LA NACION in Spanish 5 Oct 78 p 8

[Editorial: "International Cancer Congress"]

[Text] Our capital is the scene of a scientific event of extraordinary significance. The meeting of specialists from all parts of the world presupposes the presence in Argentina of men whose mentality--accustomed to the rigors of science--makes them the possessors, because of the specialty they practice, of a reasoning and sensitive capacity of the first order. This circumstance goes beyond, as it is easy to understand, the strict framework of humanitarianism with respect to one of the great scourges which decimates people in all latitudes.

Those attending will expound their conclusions on the etiology, therapy and everything linked to cancer. The fact that in previous congresses it was agreed that the site should be Buenos Aires, demonstrates the general recognition of the conditions and degree achieved by Argentine medicine on the subject.

The program of the congress, its agenda and the extraordinary number of those who have promised to attend, are events of such relevance that our country feels legitimately proud of receiving such a high-ranking assembly in its capital.

The pride and satisfaction, not unreasonably described as such, increase when the convocation has had such an unmistakable success in being favorably received in the circles of specialists of every type having to do with the terrible disease.

At a time when the twisted divisive influence of nihilist ideologies had not attained the worrisome dimensions of the present, Argentina's pleasure at being singled out as the host for the delegations and the seat of the deliberations among specialists would have been manifestly just and undeniable. The accentuation of this sentiment would undoubtedly have been a primary aspect within the high but measured area of professional endeavor.

Today, beyond the reasons which give the event a relevant significance, the Argentine people calmly view their victory against insidious lies, sectarian malevolence and meanness of spirit.

Some months ago, the realization of a sports competition, the world soccer championship, served to show people of good will the senselessness of a tenacious campaign maintained by sectarianism and financed by the proceeds of the most treacherous and contemptible crime. The International Cancer Congress shall be a new example. The campaign against the former was aimed at the great masses; the second is organized with greater craft. Attempts were made to reach sectors with great training, influence and personal standing to obtain from them a condemnation of our country by means of a distorted broadcasting of facts. The explanation of them, when there were any, was distorted or they were simply invented or magnified.

Unfortunately there are many countries in the world in which contempt for man is not an isolated or occasional practice, but rather a rigid and implacable doctrine. Those who devoted themselves to their stupid unsuccessful attempt to denigrate Argentina never made any charges against them. Many of the slanderers promptly hastened to countries, where to the detriment of medicine, it is used as a repressive instrument, locking up dissidents in psychiatric clinics and hospitals. The dual nature of their evaluation of behaviors clearly shows that if there were doctors engaged in the already defeated campaign, there prevailed within them a conspiratorial solidarity with the subversion suffered here instead of the duty of contributing their knowledge for the well-being of man.

The violation of their duties and the Hippocratic Oath, their betrayal of those who suffer, their arrogance, which deserves harsh punishment, have led them to see that the congress will be held under normal conditions. Science shall have won with the exchange of opinions, the results of their research and the evaluation of their experience in treatment.

We, the people and government, shall have provided the chance once more to each and every person attending this scientific event, without restrictions, to see that this is a land of peace where security has been won and nihilism expelled. The delegates may return to their homes and tell the truth. It shall be the best payment we expect for the open welcome given them.

Finally, there is no convincing explanation for the action of the French government, which officially sponsors with the presence of a cabinet minister, the holding of a so-called "counter congress," which was called, according to the explicit statement of its organizers, to bring about the failure of the meeting about to be held in Buenos Aires.

8908

CSO: 3010

ARGENTINA

FIDE ISSUES REPORT ON ECONOMIC SITUATION

Buenos Aires LA NACION in Spanish 1 Oct 78 p 8

[Text] The Research Foundation for Development (FIDE) has published the first issue of the specialized monthly journal COYUNTURA Y DESARROLLO, edited by Octavio Frijerio. The issue contains a general picture of the economic situation, the evolution of the principle indicators and special studies on livestock production, its marketing in the world and the situation in the public sector.

The issue points out that the second half of the year is experiencing the persistent process of stagnation and subsequent recession that began in the last quarter of 1977. At the same time, the inflationary pressures remain intact. It states that it is highly likely that the year 1978 will conclude with a drop in the gross national product on the order of 2.5 percent and a rate of inflation varying between 150 and 160 percent.

The publication adds that for the third quarter of the year, compared with the same period last year, one can anticipate a drop of 3.5 percent in the gross national product. It would be difficult for the result to be otherwise when one takes into account the negative evolution of most industrial sectors and when one computes the slowdown registered in the growth in the farm product compared with 1977.

Among other aspects and with respect to the foreign sector, the publication states that there is a very positive trend. By the end of 1978, it is possible that the trade balance will show a positive figure on the order of \$2 billion, the result of exports totaling some \$5.9 billion and imports worth about \$4 billion.

According to estimates, sales of grain and grain by-products will rise 20.5 percent this year, while meat sales will go up 7.7 percent, with figures in current dollars.

The publication believes that there is a clear process of the liquidation of livestock. If current slaughtering levels continue, the coefficient will be equivalent to 27.4 percent of the stock, while historical levels are about 22 percent.

ARGENTINA

ARGENTINE PAPER REFLECTS ON 'PRESTIGIOUS' REVOLUTION

Buenos Aires CLARIN in Spanish 26 Sep 78 p 8

/Editorial: "Peru: The End of Populism"/

[Text] For a time the Peruvian Revolution enjoyed widespread prestige in Latin America. This was probably due to the simplified and somewhat magical model that it proposed for the transformation of a backward society. The military men that headed up the 1964 movement thought that it was enough to bring about changes in the ownership of land and industrial enterprises in order to found, on that basis, a nation that would be both equitable and self-determining. Its exegetes pointed to the incorporation of Indian peasants into market production as an inexorable step towards the establishment of vigorous domestic trade. At the same time, Peru became increasingly involved in the Cartagena Agreement and emerged as one of the leaders of the non-aligned movement.

Fourteen years have passed, and the experiment that was begun with such euphoria is thoroughly crumbling before our eyes. Today, Peru is unable to cope with its sizable foreign debt and has to ask for new loans to pay the servicing on it. It has adopted all of the restrictive policies that the IMF usually recommends for a financial housecleaning. Entire sectors of the economy are at a standstill, and in contrast, a sort of handicrafts industry is developing that does not contribute to the treasury and markets its output through an enormous network of peddlers spread throughout Lima. Many of the Andean Pact's industrial projects have failed. The result of all this has been negative domestic production rates and social protests over the ongoing decline in wages and rising unemployment. Naturally, the Lima government has also turned towards more cautious positions in international fora.

A wide gap has emerged between Utopia and reality. The upshot is that there are more underprivileged people. They no longer include just the lethargic Indian communities that used to be dependent on a subsistence economy. They are now to be found in the cities too, extending like an oil slick from the so-called "slums" to all parts of the city. Daily life in Peru is a crisis for which no remedies can be seen. And this shows up

in political developments. The Constitutional Assembly, dominated by the American Revolutionary Popular Alliance and with strong left-wing representation, would be tempted to regard itself as the only legitimate branch of power were it not for the difficulty involved in pulling the chestnuts out of the fire at a particularly risky moment.

All of these developments are sounding the death knell of a populist experiment. The lesson is an obvious one: you cannot distribute what does not exist. The Peruvian Revolution sealed its own fate when it decided not to modernize the productive apparatus and incorporate new sectors into the economy as an unavoidable condition for progressing towards greater social integration. Integration without development is as dangerous a fallacy as development without integration.

In a world that is moving forward at such a dizzying speed, the price to be paid for 15 lost years is quite high. It can be gauged by the magnitude of the crisis that the Lima authorities are having to face. When it comes down to a final accounting, we could describe them as being generous in spirit but terribly inept politically. Nonetheless, generosity does not consist of good intentions but rather of clear thinking in order to take the proper path and dispel illusions.

Peru is offering a new lesson to Latin America, where the least that we can say is that there are abundant examples of frustration. Assessing this lesson is an imperative for those who are still struggling against delayed development and who refuse to accept permanent decadence.

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CSO: 3010

EDITORIAL ON THE TRACTOR DILEMMA

Buenos Aires CLARIN in Spanish 2 Oct 78 p 10

[Editorial]

[Text] Speaking in general terms, the agricultural sector has enjoyed favorable climatic conditions for the third year in a row. For the first 6 months of this year, production was higher than that for the same period of last year, which was in turn greater than the good figures for 1976. This growth is promoted by an abundant production of grain, which is not so much due to the expansion of the areas planted but rather, to the excellence of yields.

Under the circumstances, it would be logical to assume that most producers have increased their assets thanks to this greater productivity since they have benefited from better seed and growing methods and have the exceptional help of timely rain. It would also be logical to think that this period, like that which the Egyptians called the time of the "fatted calves," would result in expanded investments aimed at improving the technological level and efficiency of operations.

However, these assumptions are in contrast with the profound crisis being experienced by an industry intimately linked with the fate of the agricultural economy. While during the last 5-year period, the tractor factories sold an average of 19,000 units a year, it is estimated that the figure this year will not go over 6,500, which means a 70-percent drop compared with the 5-year average. Furthermore, in the history of the national tractor industry, this year will be marked by the lowest sales ever.

This is not a crisis caused by the saturation of the market since farming in Argentina is insufficiently mechanized, not only compared with the more highly developed countries, but also compared with nations far from their level such as Uruguay, Chile and Brazil. What is happening now cannot even be defined as mere stagnation since it is a regressive process, given the fact that in order to maintain the current number of tractors, it would be necessary to replace some 12,000 units that become obsolete every year. Since replacement is now only half, one must admit that we are faced with

a decline and a process of disinvestment that is unprecedented, even during the worst times that agriculture has experienced in the most recent decades.

In the face of this striking phenomenon, one must ask what would have happened if the climatic conditions had been adverse, as has often occurred. Naturally, this meager figure of 6,500 tractors would have been considerably reduced, and if one thinks that the tractor industry is now operating with an idle production capacity varying between 70 and 80 percent, then such a hypothesis would mean the total closing of the establishments.

It is of interest to pose the problem at a time when optimistic forecasts are being made about the development of an agricultural industry in which tractor manufacturing would have a relevant role. One must look to the future, but on the condition that one does so with one's feet firmly planted in the present. Good intentions and ambitious plans must begin with a realistic look at facts and achievements. Otherwise, looking to the future can mean an escapist attitude concerning problems still requiring solutions.

Along these lines, the great production goals set in a study released by the Office of Secretary of Agriculture are undoubtedly praiseworthy. But how is one to believe in this attractive future when the present indicates an unusual drop in the investments needed to turn it into reality? The tractor phenomenon is a symptom of a grave abnormality that cannot be solved by resorting to declamations or predicting the future, but rather, by investigating causes and introducing remedies. Facts, not words, are what the country needs.

11,464

CSO: 3010

ARGENTINA

POSSIBLE AID TO NAMIBIA RUMORED

Buenos Aires CLARIN in Spanish 3 Oct 78 p 5

[Text] In the diplomatic circles of our country and abroad, a story has circulated recently which states that Argentina may be determined to participate actively in the solution of the problem of Namibia.

A first evaluation based on the speech made by Vice Adm Oscar Antonio Montes recently before the UN General Assembly allows one to suppose that such is the intention of the highest Argentine authorities.

Moreover, sources close to the Argentine delegation which participated in that assembly appeared to confirm that assertion whether it was because of the marked interest with which they follow the development of the subject--which was analyzed at the Security Council level of the organization--or leaks on the talks that the San Martin Palace chief had with his colleagues from Great Britain, David Owen, and the United States, Cyrus Vance, last Friday.

In those meetings, Minister of Foreign Relations and Worship Montes carefully analyzed the Southwest African situation with his colleagues, repeating what he had maintained to the General Assembly hours before, that Argentina is determined to help **/"in the action our organization executes in the process of independence of Namibia."/** [in boldface]

Likewise, according to reliable sources, during the visit made to our country by UN Secretary General Kurt Waldheim, the possible participation by Argentina in the problem was allegedly analyzed.

Background of the Problem

Namibia is a name, which for the majority of persons has no great meaning. Despite this, that enormous stretch of southwest Africa, which is larger than England and France together, has an undeniable importance for the international community.

From 1184 until the first world war, this portion of African territory was called Southwest Africa and was under the protection of Germany.

In 1915 it is occupied by the army of the Union of South Africa--which at that time was part of the Commonwealth--and 5 years later the league of Nations placed it under British mandate to fulfill a "sacred mission of civilization."

After World War II, and after the founding of the United Nations, all the territories obtained their independence or found themselves under the jurisdiction of the organization.

However, South Africa repeatedly refused to recognize the authority of the United Nations over the territory. It was thus that the UN Assembly in 1966 expressly put an end to the mandate in specific manner.

The following year, a council for Namibia was created headed by a UN commissioner for the purpose of effecting the change, because up to that time, while it was true that Namibia depended administratively on the organization, in fact it was a South African colony.

This situation, certainly paradoxical, continues to be a sad reality today despite all the efforts that have been made for finding a solution.

A Proposal

Recently, in the midst of long negotiations, five western country proposed a plan for the purpose of putting an end to the problem. The United States, Great Britain, France, Canada and West Germany suggested a joint South African-United Nations administration to:

- Carry out free elections during this period prior to the independence of Namibia, scheduled for 31 December.
- Supervise the reduction of South African forces in the territory and their replacement by UN troops.

Last Friday, the Security Council approved by a vote of 12 to 0 the sending of a joint force of 7,500 soldiers, a team of 360 civilian specialists in police work, and 1,200 observers, who would have as a mission the supervision of general elections at the 400 polls devoted to that purpose.

The operation, which will cost a trifling \$300 million, will last approximately 1 year, time when a black majority cabinet will begin to govern.

/The joint force will consist of contingents from the member countries of the organization/ [in boldface]

In these 33 years of life of the organization, our armed forces have never swelled the ranks of an international peace force, but they did go as observers as in the case of the Middle East.

Unavoidably, Argentine collaboration in this problem is now being analyzed by those responsible for our country's foreign policy.

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CSO: 3010

ARGENTINA

FEBA SAYS ALEMANN NOT IN TOUCH WITH REALITY

Buenos Aires CLARIN in Spanish 4 Oct 78 p 12

[Text] As the result of statements made by the minister of economy and the secretary of finance, statements published in yesterday's newspapers, FEBA (Economic Federation of Buenos Aires Province) has released a statement refuting the evaluations made.

First of all, it labels the remarks made by Dr Alemann as demonstrating "total lack of knowledge about the situation." In the remarks, Alemann had "practically accused businessmen of 'manufacturing' the recession." After expressing its "bewilderment" over this opinion, FEBA criticizes the tone of the remarks, "for it does not retain the balance or show the consideration required of a high official."

In the opinion of the business organization, "enterprises are suffering a vertical decline in sales, a total ban on credit as a result of the existing financial policy, great tax pressure, ruinous competition from imported products and have to leave a substantial portion of their installed capacity idle, if not go bankrupt. Furthermore, they are now being accused of 'manufacturing' the recession."

Other arguments from the business sector of Buenos Aires show the contrast between the words of Dr Alemann and the "tax system, which forces evasion while at the same time establishing penalties for those who do not pay in accordance with the existing system."

With respect to the financial policy, it is accused of having created "an irresponsible economic climate, far from the promise of 2 April 1976 of moving from an economy of speculation to an economy of production." FEBA says that "today, those who produce have no incentives or prospects and only a minority of the financial sector is prospering. This small group is becoming even smaller and increasingly cut off from Argentine interests. To these groups and the constantly expanding public sector go the fruits of the efforts of the Argentine workers and businessmen."

Martinez de Hoz

Commenting of the statements made by the minister of economy, FEBA states that in his words, "one could also see the idea of avoiding responsibilities for the results of the economic policy, both with respect to the recession and inflation, attributing 50 percent of the inflation we are suffering to 'expectations'."

The Federation emphatically maintains that "it is not possible to continue appealing to these psychological explanations when it is concrete, tangible actions taken by the Ministry of Finance that have led us into this situation." It recalls that as early as July 1976, Dr Martinez de Hoz categorically affirmed that he had "broken the inflationary curve and expectations when in March 1977 he established price controls, claiming to have done so to eliminate expectations. Following all of this, the situation several months later had not only not improved, but had gotten worse."

With respect to the reiterated appeals of the ministry of economy to the "understanding and cooperation" of the private sector, FEBA says: "We businessmen have made and shall continue to make efforts to continue activities under conditions of a total lack of proportion between the profits gained by production and those yielded by speculation. We are willing to continue to make them, to continue to support the process of national reorganization, by virtue of the fact that we are Argentines."

The statement concludes with a warning: "However, we feel that we have the right to ask for a change in an orientation that offers no way out for us or the country and for a halt in the transfer of responsibilities that do not belong to us."

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ARGENTINA

FIAT HEAD COMMENTS ON GENERAL MOTORS DEPARTURE

Buenos Aires CLARIN in Spanish 4 Oct 78 p 14

[Report on television interview with Dr Giovanni Agnelli, head of Fiat; date not given]

[Text] In an interview carried by Argentine television, the head of Fiat, Dr Giovanni Agnelli of Turin, Italy, commented on the situation in the Argentine automobile industry and Fiat's position with respect to the market. He emphasized that Fiat's intention is "to be among the ones that remain."

When asked about the decision adopted by General Motors to leave Argentina, Agnelli said:

"General Motors is the biggest automobile manufacturing company in the world. If it pulls out of a country, it is disturbing for the country's image and for the impression caused. However, from the economic point of view, General Motors' decision is completely valid because selling 7,000 or 8,000 cars could not be very profitable. Among the nine remaining factories, we must see which ones will remain, which ones will group together and which ones will leave the country. Fiat intends to be among the ones that remain. We intend to continue."

The world industrial leader gave his own opinion: "The Argentine automobile industry is in a paradoxical position. It is a market which in the best of times exceeds 300,000 cars. During a period of restrictions such as the one we now have, that figure goes below 150,000 vehicles annually. The market is divided among 10 companies. It cannot be economical production; it cannot be logical production," Agnelli emphasized.

"In addition, every automobile factory in Argentina produces only a little over one-third domestically and buys two-thirds of the auto parts from other enterprises. Consequently, these 10 finishing factories are growing in number and we have the picture of a fairly inefficient industrial system."

In another portion of his remarks, Agnelli said that "Argentina emerged from a major world war in which it did not participate and from which it profited,

with immense reserves that were the product of agriculture. It tried to industrialize and did so too rapidly. It is now a matter of correcting this disorderly system. The correction will be difficult. We must prevent the industrial system from being a burden on the agricultural system, which has always been competitive."

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ARGENTINA

WHEAT EXPERTS ESTIMATE PRODUCTION

Buenos Aires CLARIN in Spanish 4 Oct 78 p 12

[Text] In the face of the possibility of a suspension of exports, as occurred last year, officials from the National Grain Board have begun a detailed examination of the situation of the wheat crops. For the time being, estimates put the expected harvest between 7.5 and 5.7 million tons, based on what it is thought that yields will be.

The technical departments of the National Grain Board have been closely following the progress of the wheat crops and prospects of the next wheat harvest.

The variables being analyzed the most thoroughly are the final area planted, the area to be harvested and the per-hectare yield that will be obtained.

This will lead to fairly reliable estimates concerning wheat production and what exportable surpluses can be expected. This information takes on relevant characteristics because if we should have a repetition of last year's situation, we would have to return to the mechanism adopted at the end of November 1977, when a limitation was placed upon export declarations made previous to that date (some 1.3 million tons).

The Office of Secretary of Agriculture and Livestock Raising announced a second estimate of the area planted in mid September. Based on that figure, the amount of land planted in wheat totaled 5.3 million tons [sic] (a figure representing an 8-percent drop compared with the first estimates made by that office).

Nevertheless, figures subsequently collected in private sectors involved in grain production and marketing -- figures obtained semi-officially by experts from the National Grain Board -- indicate that the area planted is under the figure of 5.3 million hectares. According to these sectors, the amount of land planted in wheat is between 5.0 and 5.1 million hectares.

Considering that the average area planted but not harvested is between 13 and 15 percent, these sectors estimate that during this season, the percentage will not be below 13 percent based on climatic conditions affecting wheat during the early growing stages ending in September.

The amount of land to be harvested would then be reduced to some 4.4 to 4.6 million hectares.

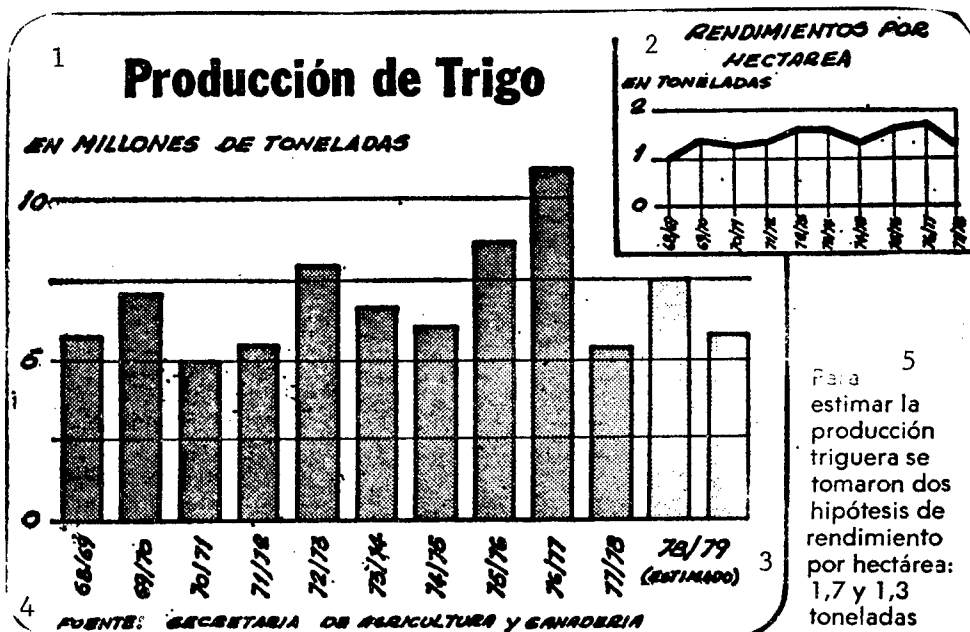
Yield

With respect to yields, opinions differ depending on the sector questioned. For officials from the National Grain Board, the yield could be 17 quintals per hectare, a figure representing an optimum level similar to what was obtained during the 1976-1977 season, which had no precedent in the previous decade.

However, along these lines, officials base their optimistic estimates on what could happen -- climatically speaking -- between now and the first week in November (flowering period).

For their part, by the end of September, private sectors felt that crop conditions were similar to those which prevailed last year. Consequently, they estimated a similar average yield (between 13 and 14 quintals per hectare).

Taking these estimates as extremes, wheat production would vary between 5.7 and 7.5 million tons. Since domestic demand will be on the order of 5 million tons (3.8 million for milling; 0.7 million for seed; and 0.5 million for carry-over, all of which was used this fiscal year in order to compensate for the very low production), at best, the exportable surplus will not be over 2.5 million tons.



[Key on following page]

Key:

1. Wheat production (in millions of tons)
2. Per-hectare yield (in tons)
3. Estimated
4. Source: Office of Secretary of Agriculture and Livestock Raising
5. In order to estimate wheat production, two possible per-hectare yields were used: 1.7 and 1.3 tons.

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ARGENTINA

DECLINE IN GNP REPORTED

Buenos Aires CLARIN in Spanish 5 Oct 78 p 16

[Text] Sources in the Ministry of Economy announced semi-officially yesterday that the gross national product will once again show a negative rate for the third quarter of 1978 compared with the same period last year. They stated that on an overall basis, when compared with the second quarter of the year and when one eliminates seasonal factors, the gross national product for the July-September period of 1978 will be positive.

In addition, one source said that "it will be surprising to see the expansive effect which the application of the system of the temporary admission" of consumable expenditures for the processing of export goods "will have on the economy." The spokesman for the Ministry of Finance pointed out that one of the sectors that will benefit the most from the system will be the automobile industry.

Referring to this sector, the source maintained that the new automotive re-conversion system does not include substantial variations compared with the original proposal drafted by the Ministry of Economy (see information on pages 14 and 15). He then referred to the makeup of the autoparts sector and commented that 30 percent of this industry is in the hands of finishing enterprises, while a similar percentage is in the hands of medium-size independent enterprises and the rest is distributed among small economic units.

The spokesman later explained to newsmen at the Ministry of Economy the difficulties now being faced by Ministry of Finance officials in disarticulating the indexing of the economy. In this context, he said that one of the likely alternatives will consist in creating a uniform indexing indicator which, he said, could avoid the diversity of existing mechanisms. However, he warned that setting up a uniform system would mean institutionalizing indexing.

He went on to say that there are few officially indexed operations: Adjustable national securities and government debts and loans are the examples given by the spokesman. For the former, the system was used previous to March 1976. Regarding government loans and debts, it was put into practice by the current economic officials.

With respect to the alleged excesses of the financial sector, the spokesman explained the difficulty that exists in the current inflationary context of defining the concept of usury. Generally speaking, he said that one could use the term "usurious" to designate interest rates that exceed the variation of the wholesale price index -- or cost of living -- plus an annual rate of 5 or 6 percent. For example, he considered that a real annual rate of 7 or more percent to be excessive.

In addition, he announced that the measures adopted by the Central Bank concerning savings and loan institutions only constitute "the first step" in the regulation of the activities of that sector.

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ARGENTINA

BRIEFS

TIES WITH FRANCE--Between 11 and 23 November, Franco-Argentine Relations Fortnight will be held in this city for the purpose of promoting the strengthening of ties between the two countries by means of expositions, lectures and meetings. The celebration has the support of private and official bodies, among them the French Chamber of Commerce in the Argentine Republic and the Municipality of the city of Buenos Aires, which has provided the installations of the General San Martin Complex for the holding of events. A work committee is preparing the program to be effected. [Text] [Buenos Aires LA NACION in Spanish 5 Oct 78 p 13] 8908

HUNGARIAN DELEGATION--The vice minister of foreign trade of the People's Republic of Hungary, Sandor Udvardi, and the other members of his party, the national director for Latin America, Dr Sandor Perjes, and Dr pal Varga, were declared official guests of the Argentine government by an executive decree. In the reasons for the measure, it is stated that the visit by the Hungarian vice minister at the head of the delegation from his country to the second meeting of the mixed Argentine-Hungarian commission is also in answer to a special invitation made by the Secretariat for International Trade and Economic Negotiations for the purpose of expanding trade and technical cooperation between the two nations. [Text] [Buenos Aires LA PRENSA in Spanish 4 Oct 78 p 4-2a] 8908

CSO: 3010

BRAZIL

RECENT PRESS STATEMENTS BY PRESIDENT-ELECT JOAO BAPTISTA FIGUEIREDO

Santa Maria Speech, Interview

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Oct 78 p 10

[Interview with Gen Joao Baptista Figueiredo, president-elect in Rio Grande do Sul, date not given]

[Text] Granting a collective interview yesterday during the visit that he paid to the city of Santa Maria, in Rio Grande do Sul, the future president, Gen Joao Baptista Figueiredo, declared that the new National Security Law [LSN] would be more lenient than the previous one, adding that the doctrine on national security would continue to be pursued in his administration. He said: "There is no nation which does not have this doctrine; some have a security law that is far worse than ours."

While discussing the new Press Law, Figueiredo expressed approval for the existence of "complete freedom of the press, without exception;" adding: "I advocate complete freedom, and am opposed to prior censorship, except in matters which could jeopardize the confidentiality of information that might affect our relations with other countries. In such instances, I would favor prior censorship; and only then." Figueiredo also declared that there should be regulations requiring the press to have a greater sense of responsibility in providing information, and preventing newsmen from publishing news without mentioning the source.

General Figueiredo arrived in Santa Maria at 1000 hours yesterday, from Caxias do Sul. The future president was given an accolade by students in the public square in the downtown area of the city. Then Figueiredo went on foot, accompanied by two youths, to the premises of the former dean's office of the Federal University of Santa Maria, where he remained for an hour and a half with politicians, trade union leaders and students. On that site, he agreed to grant the press a collective interview.

While at the former dean's office, the general refused to sign a document calling for a "foundation for the development of higher education in Santa Maria," claiming that he was unfamiliar with the subject which was brought up by the former dean and ARENA [National Renewal Alliance] candidate for the Senate, Mariano da Rocha. Later, as a means of resolving the incident, Figueiredo agreed to sign the document, but only as a "witness."

After taking leave of the future governor of Rio Grande do Sul, Amaral de Souza, and of the military commanders of the area, Figueiredo left Santa Maria at 1615 hours, bound directly for Brasilia.

Disunity Among Brazilians the Only Regret

Following is the complete text of Gen Joao Baptista Figueiredo's address:

"True, I have come to Santa Maria, located in the heart of Rio Grande do Sul, located in the center of its territory; but it is likewise true that, upon arriving in Santa Maria, I discovered, from the warmth with which the people received me in the streets, the warmth that I sense here in this environment, the warmth with which the youth of this territory have embraced me, and the affection with which the children have kissed me, and feeling somewhat like a grandfather of this territory, I have concluded that, in fact, Santa Maria is not in the heart of Rio Grande do Sul: Santa Maria is the very heart of Rio Grande do Sul.

"And it is this heart of the people of this territory who, through their representatives, will ask their president-elect for a democracy, and will ask, through their speakers, that I obtain for the Brazilian people the democracy of which our grandparents dreamed. And the repayment that I can make to the people of Santa Maria is to confirm here, in the heart of Rio Grande, that the only guarantee that I shall give of a democracy for this country is my faith in God, my strength of will, and the assurance that, at difficult times, the support of the people of Santa Maria for this goal will not be lacking. Of course, I realize that the path is not easy. I shall have to confront those who do not believe in my intentions, whom I must convince by my actions; and I must remove from my path those who try to impose obstacles that cannot be surmounted.

"What else can I promise the people of this land? To the youth of this land I promise to conduct a constant search for a job market for their future. It is with a view toward the future of this youth and these children that I pledge my support to Governor-elect Amaral de Souza for the establishment of the Santa Maria industrial complex. And I promise most to these people my constant effort and my complete sacrifice for the attainment of the democratic goals which we all desire.

"I expect in return, and the only repayment that I ask of the people of my country, the people of Santa Maria, is that they believe what I say; and that in periods of difficulty (and we shall have many ahead of us), that they not lose faith and hope in the future of our nation. And I ask the people of Santa Maria to assist me in the search for peace among the Brazilian people; to help me convince those who still do not believe in us, that we, in fact, want reconciliation, that we want to work in peace, and that we want to offer social justice and better living conditions for our people.

"I ask the people of Santa Maria to join their voices with my isolated voice, so that I can convince those who have been opposed to us that they can work with us, and that we do not intend to destroy them, nor to annihilate or immobilize them. We do, indeed, intend that they augment our ranks, the ranks of those who in fact desire only good for Brazil and for our people.

"I reiterate what I have said: that I do not bear any grudges, that I do not harbor any hatred in my heart, and that I have no regrets. The only regret that I have is the disunity among Brazilians. And I am certain, absolutely certain, and am completely convinced, that the people of Santa Maria will assist me in this essential desire.

"And I also ask the people of this territory to help me to be what I have always been, which I do not wish to change, and not to hesitate to embrace their president as a man of the people; so that all of us together, myself, the aged, the youth and the children, may pray in our church, with our Christian faith, pray all together that there will be no Brazilians deviating from the good path of democracy.

"And if I fail, if I should fail in the future, I have no doubt that the Santa Marians will forgive the mistakes; because I am a man like anyone else. The only quality that I admit to having is my faith and the strength of will not to renounce my convictions. And if I should make a mistake in the future, they can be sure that I was convinced that it was the proper course of action. God willing, I shall be able to return to this territory later, and embrace and kiss the same children who received me today on the streets; and they can regard me not as a president of the republic, but with the affection with which a child called me on the street today: 'Grandpa Joao.'"

"Amnesty Will Come in Time"

Following is the complete text of the interview granted yesterday by Gen Joao Baptista Figueiredo:

[Question] Former Minister Pratini de Moraes claims that the concentration of income is inherent in the economic system. How would you analyze this determination?

[Answer] I haven't seen Dr Pratini de Moraes' statements, but what I have said about the distribution of income is that it is essential. I even regard it as a preeminent issue for democratic stability. Now, I have reiterated that I do not see how anyone can make such a distribution of income within a short period of time without first promoting economic development in the country. If anyone knew how to accomplish this within a short period of time, let him run as a candidate; and I would back him as a candidate for the presidency of the republic, because he would be the savior of the nation.

[Question] You mentioned limitations on the action of the technocrats. How will that take place?

[Answer] A technocrat should be an advisor to the politician, the leader and the executive; and not the opposite.

[Question] You have expressed approval for direct negotiations between labor and management. Does this mean that there will be no more incidents like the one relating to the Cost of Living Movement at the Archdiocesan Cathedral in Sao Paulo?

[Answer] No, that is not so. The Cost of Living Movement in Sao Paulo is a natural movement; because, in fact, we all know that the cost of living is high. It is not the fault of the government; if it were the government's fault, it would be a very easy matter. If the opposition thinks that it can improve the cost of living within a short time, then let it win the election and assume the presidency of the republic, and solve the problem; then we shall all applaud. That is not the problem. With regard to the wage problem, I consider a dialog between labor and management to be fair. There is no doubt about that. Now what is not fair is for management, with the wage hike, to pass on the cost to its products instead of reducing its profits. This works at the expense of the consumer, in other words, the worker himself. So there had to be a mediator for what happened in Sao Paulo. The minister of finance had to intervene, so that the business owners would realize that they could not pass on the wage increase at the people's expense.

[Question] What do you think of the new National Security Law?

[Answer] I think that the National Security Law is considerably more lenient than the previous one.

[Question] Did you take any part in preparing the new LSN?

[Answer] I did. When I was in the SNI [National Intelligence Service] I studied the old law, and discussed it with the president of the republic, since I thought that the penalties should be mitigated.

[Question] Should the doctrine on national security continue?

[Answer] It should continue. There is no nation which does not have such a doctrine. Some even have a security law that is far worse than ours.

[Question] Senator Paulo Brossard has compared the new Security Law to the Pinochet law.

[Answer] That is his opinion; I am not familiar with Pinochet's law. I think that Senator Brossard is entitled to express his opinions.

[Question] The new Press Law is approaching, and consideration has been given to reverting to prior censorship. The Brazilian Press Association was not consulted. How can this fact be reconciled with political openness?

[Answer] I am unfamiliar with the new Press Law insofar as prior censorship is concerned. I know that there have been studies on a new Press Law.

[Question] Will that new Press Law be enforced drastically in your administration?

[Answer] I reaffirm that there should be complete freedom of the press without exception. I advocate complete freedom, and am opposed to prior censorship, except in matters which could jeopardize the confidentiality of information that could affect our relations with other countries. In such instances, I would favor prior censorship; and only then. Now I think that there should be regulations requiring the press to think a little more carefully, and to have a little more sense of responsibility in its reporting. Because what is happening currently is that each and every item of information, some even without any grounds, that comes into the hands of a newsman performing his duty is disseminated. The confidentiality of the source is a right insured to our press by the Constitution; but no one can be accused without mentioning the source; because otherwise it would be a matter of so-and-so, or I don't know what.... If an accusation is made against anyone, it should be told who made the statement, and what he said.

[Question] What is your view of the Brazilian press at present?

[Answer] It is considerably better than the opinion I had before coming in contact with the press. The young men who work with me know that I had many reservations about the press, because I confined myself to reading the newspapers. I did not have any contacts with newsmen. Now I know them better. I know about your zeal in seeking news. You make your living from this, and I can understand how desperate each one of you is to obtain news. You are only doing your duty. Your salaries depend on this; if you do not produce news, you are not performing for the organization for which you work.

[Question] What are the chances of a Santa Marian (Nelson Marchezan, his political adviser, mentioned for the Ministry of Labor, is from Santa Maria) in your cabinet?

[Marchezan] This question is forbidden, all right?

[Answer] I have not considered the cabinet. Wait until 15 March.

[Question] If anyone requests amnesty, would you grant it?

[Answer] What I said last night (the day before yesterday, in Caxias do Sul) was that amnesty will come in time. You can be sure that amnesty will come in time. I have no doubt that it will come. Now I have already said that I do not favor amnesty for those who commit common crimes, such as terrorists, those who hold up banks, etc.

[Question] Would you agree to Brizola's return?

[Answer] If the courts say that he has committed only a political crime, yes.

[Question] Senator Paulo Brossard challenged ARENA to back the establishment of a CPI [Congressional Investigating Committee] to probe the charges of corruption. What is your opinion of this?

[Answer] I would not make any statement, because I am not a congressman. I think that the congressmen should be free to consider whether or not they should sign a petition of this nature.

[Question] What guarantees do you offer the nation that the promises of openness in your administration will be kept?

[Answer] My word.

[Question] Would you describe yourself as a center social democrat?

[Answer] Certainly, as a center social democrat.

[Question] What is your position from a political and economic standpoint?

[Answer] Economically, I am opposed to socialism. We are definitely under a capitalist system. And, politically, I favor a democracy with plurality, in which the people participate, either directly or indirectly. The type of participation by the people does not matter. In Great Britain it is indirect; in the United States it is direct; and in Mexico it is indirect, with a single party; but none of them have ceased to be democratic. I accept any process, so long as the people participate.

Press Conference With Bonifacio

Rio de Janeiro JORNAL DO BRASIL in Portuguese 17 Oct 78 p 4

[Text] Brasilia--Yesterday, the president-elect revealed that his candidate for the presidency would be "the one chosen by a consensus of the party," whether he be a civilian or a member of the military. He said that the essential quality sought in selecting his ministers is "integrity; the rest is a consequence." He also declared that the danger of someone who does not want democracy "taking hold and exploding" was "for real."

Yesterday afternoon, General Figueiredo conversed for 50 minutes with the group of reporters which went to the apartment of Deputy Jose Bonifacio, covering the visit that the president-elect paid to ARENA's leader in the Chamber who is recovering from surgery. During the conversation, the general gave assurance that he did not receive the news of his appointment until 29 December of last year, and he described how he was chosen by President Geisel.

The Conversation

General Figueiredo, seated on a sofa between Deputy Jose Bonifacio and his wife, Vera, discussed Sunday's election with the ARENA leader.

Bonifacio: Democracy is debate. Everything went well.

Figueiredo: There was liberty; that is a fact. And I was pleased to see the MDB [Brazilian Democratic Movement] vote for Euler.

Then Deputy Jose Bonifacio praised General Figueiredo's statement, calling attention to his objectivity; and he recalled that Deputy Eduardo Galil had made "a violent speech this morning." Mr Galil said that he was only following "the great Jose."

Figueiredo: (referring to Bonifacio) He was not violent; he was vehement and vitriolic.

Galil: Yesterday, someone tried to boo Jose, and he incited the people too.

Bonifacio: But it is necessary. If the people remain quiet, those individuals make progress.

Francelino: The important thing is not to remain on the defensive.

Figueiredo: They are harping on the point that the process is illegal, but they do not hesitate to compete.

Then the following dialog took place between newsmen and the general:

Reporter: Sir, now that you have been elected, will your relations with the press change?

Figueiredo: Will what change?

Reporter: Will security prevent us from continuing to approach closely? Will there be poking?

Figueiredo: In return, you are threatening to devour me with microphones.

Reporter: What about the election of the new Pope?

Figueiredo: Do you want me to be responsible even for that? God willing, he will be as good as the other one.

Bonifacio: I consider it important that he suffered at the hands of the....

Figueiredo: Nazis; the Nazis and communists as well.

They continued discussing the election, and General Figueiredo remarked with a smile: "He resulted from the fourth or fifth smoke; we were more practical."

Reporter: Hugo Abreu released a little cloud of smoke....

Figueiredo: General Hugo's puff could not have made any change of direction. He needed too much wind.

Reporter: What about your appeal for reconciliation?

Figueiredo: I made the appeal, and now it is up to the opposition. And I was specific, addressing those who were opposed to me. I did not invite everyone to turn toward the Rio de Janeiran; but I invited them to approach the Maracanan willing to accept the results of the contest. I know that the appeal will be heeded insofar as the people are concerned. As for the opposition, I know that many people will likewise heed me. But yesterday (Sunday), there were some people who voted against the horse odor (he pronounces the phrase slowly). I do not harbor any grudges, hatred or hard feelings about anyone.

Bonifacio: (enjoying Figueiredo's statement): You don't give that off; you only give it off when you object.

Reporter: Do you agree, General?

Figueiredo: I agree. Generally speaking, the press is opposed to me. Observe, for example, the rally in Campos. Three of you estimated that six persons per square meter would fit into the Campos square. I asked Paiva Chaves to measure the square: he said that it was 80 by 100 meters. That would accommodate 48,000 people. Now then, I cut the number to four per square meter; which would make 32,000. The majority published the report that there were between 8,000 and 10,000 people. At a Euler rally which I know was attended by 500 people, you reported 5,000. So what Jose says is true.

Reporter: But General, that is relative....

Figueiredo: You claim that everything is relative: freedom of the press, and censorship too. Can you print everything that you write? Do the owners of your newspapers accept everything that you write? Then that freedom should begin within the newspapers themselves.

Reporter: But there are some who praise....

Figueiredo: There are newspapers which criticize me too much, and those who criticize too little.

Reporter: Doesn't O GLOBO praise?

Figueiredo: Roberto Marinho is my friend, and he has acted quite properly, because he has never taken advantage of our friendship. He has never approached me because of this. But even O GLOBO has printed some scoops. And Breno Caldas is also my friend, and Caldas Junior from Porto Alegre has acted quite properly toward me.

Reporter: How do you feel about criticism?

Figueiredo: When it is a signed article, containing opinions, I obviously accept it as such. But when it is an article containing falsehoods, I do not accept that.

Reporter: What is your reaction?

Figueiredo: As a candidate, I swallow toads the size of an elephant.

Reporter: And as president?

Figueiredo: I swallow them also, but what I sometimes feel like doing is to throw everything into the air and call whoever wrote it, saying: "Young man, this here is a lie."

Bonifacio: I am going to charge you royalties for this interview here in my house.

Reporter: The general always talks with people.

Figueiredo: Only when they give me a cigarette (and he grabs one from a news photographer). A reporter offers him a light with a cigarette lighter bearing the inscription "Figueiredo: Courage, Candor, Loyalty." The general remarks: "I guarantee that you will not show this in public." But then he makes the correction: "You really like me, but you write what your newspaper wants."

Reporter: Why didn't you talk longer with the people in Aracoara?

Figueiredo: Because our last conversation, which lasted over 2 hours, was held under an "off-limits" arrangement; and, the next day, articles appeared in two newspapers. At the time, I lost confidence; but I didn't try to identify who it was. Your trouble is that you take joking literally. I think that you have this notion: Let's destroy this clown and print everything. But the people liked it, and realized that I was not crazy, but sincere. Do you think that I would seriously say certain things that you have printed as if they were serious, when I was joking?

Reporter: Like yesterday's "catching on and exploding"?

Figueiredo: You are mistaken about that. In the case of those who do not want democracy, the danger is for real.

Major commentators from major newspapers have been harping on the same topic: No president of the revolution named his successor except Geisel. That is not true, because Medici did. I even said to Medici: "You can do what you like." Because he had so much prestige, and so much popular support from the armed forces and the political groups that he could name whomever he wished. I was authorized by Medici to be the link between him (Medici) and Geisel. The conversation took place in February 1973. The night before I spoke to Medici, Gen Orlando Geisel (then minister of army) had an appointment with the president, and I asked him to come to my office. On that occasion, I told him that I would be having a discussion with the president the next day, and that I, Dr Leitao and General Fontoura had reached the conclusion that the best appointee would be Gen Ernesto Geisel; and that we would inform the president so that there would not be an incident such as the one that occurred in the case of Costa e Silva, wherein he would be surprised. And he (Orlando) said that although he would be satisfied with the brother, "it is not a good idea for me to continue." I spent a week, advised by Venturini, convincing him that he could not leave Medici. Then he promised to remain until the brother was appointed, saying that he was not in a position to continue. It took another effort to have him remain; and he remained until the end of the administration. The next day, we conversed with President Medici. The press claimed that the brother exerted an influence, and that was not so.

Reporter: And General Fontoura said that he was the one who was wanted.

Figueiredo: General Fontoura never told me anything. He always told me that the candidate would be Gen Ernesto Geisel. That day, we talked for 3 hours with President Medici, and he agreed on the appointment of Gen Ernesto Geisel.

Reporter: The press was not very incorrect in the matter of your appointment, was it?

Figueiredo: It was incorrect; that dinner never took place (referring to a dinner at which the president reportedly informed him of his selection in advance). Furthermore, I never had lunch or dinner alone with President Geisel. Whenever I went to the (Alvorada) Palace, I was called there to a meeting, and he never discussed that matter with me until 29 December.

Reporter: Are you grateful for the appointment now?

Figueiredo: I did not express gratitude for the appointment; I even complained. On 29 December, when he talked to me, I told him that he was wrong, that I would not be the person.

Reporter: Is President Geisel going to participate in the selection of your cabinet?

Figueiredo: (sarcastically) This is what I mean.... Knowing Geisel, do you think that he would do that? He will not be the president in the next government.

Reporter: What about the leaders in Congress who are to be selected during the present administration?

Figueiredo: Ask President Geisel.

Reporter: Do you have a candidate for president of the republic?

Figueiredo: I have several; but the first one that I would back would be the one who was selected by a consensus of the party.

Reporter: Even a civilian?

Figueiredo: Anyone, even one of them; even one of those who are opposing me now. And if President Medici had not agreed with General Geisel, I would support whomever he chose. And I did not invent Geisel; the one who invented Geisel was himself, with his merits. And he did not offer himself; he resisted as much as possible. I made an analysis and I reached the conclusion that it had to be he, owing to his merits. It is not that he was my candidate; his deservedness is what made him necessary. And it should not be said that Geisel was my friend; I never took orders from him, nor had I visited him at his home previously.

Reporter: What is essential for individuals in top-ranking positions?

Figueiredo: Integrity; the rest is a consequence.

Domestic, Foreign Policy Discussed

Brasilia CORREIO BRAZILIENSE in Portuguese 15 Oct 78 p 11

[Interview with Gen Joao Baptista Figueiredo, president-elect]

[Text] Yesterday, in an exclusive interview with CORREIO BRAZILIENSE, General Figueiredo said that the administrative management of his government "will have to be decentralized." He also claimed not to have any definite idea yet about a possible transfer of the government's headquarters to other regions.

The interview with Figueiredo was held with the promise that no questions that he had already answered at previous meetings with the press would be asked. However, when asked in what objective terms the autonomy of the states and municipalities would be exercised, he reaffirmed the fact that he would promote "tax reorganization in the country," in an attempt to give the states and municipalities greater financial autonomy.

Figueiredo was very brief in giving information about his intentions to grant public-popular meetings after taking office as president of the republic. Careful not to disclose his plans, he confined his remarks to stating: "I shall give a hearing to whoever requests it."

He denied that Brazil has reactivated diplomatic relations with Communist China at the behest of the United States; and did not say whether we would be resuming them with Cuba because the Americans have now initiated talks.

The Interview

[Question] In all the commands that you have exercised (it has been reported), there was leadership, and a great deal of confidence in those subject to command, but decentralization as well. Will that experience be transferred to the presidency of the republic, or do you think that the president has to make decisions alone, and should only delegate when he deems it necessary?

[Answer] The decision-making process demands of the president of the republic, more than any other executive, the personal responsibility for his action. I realize that, in order to reach conclusions, it is necessary to listen to politicians and specialists; in short, to gauge the sentiments of the nation. As for the matter of execution, it will have to be decentralized.

[Question] On those constant visits to the states, you have shown yourself to be a man who is always ready for dialog and, what is more important, very willing to listen to various opinions. During the course of these contacts, can we anticipate that the next government, provided it is deemed necessary, may become temporarily established (with your entire cabinet) in certain regions, in order to better ascertain the demands of the governors and the people?

[Answer] I do not as yet have a definite notion regarding the validity of transferring the government to other regions. I shall make use of previous experience. I consider Brasilia to be suited for meeting the requirements of the government's functions. The dialog will continue, because I want to continue traveling all over the country, myself and with my aides.

[Question] In what objective terms will the federation be run? Will the states, and the municipalities in particular, regain financial autonomy (even if only partially)?

[Answer] In several statements, I have set forth my idea. I shall promote the tax reorganization of the country, in an attempt to give the states and municipalities greater financial autonomy.

[Question] Even Juscelino himself admitted that the Alvorada Palace was unsuitable for the official residence of the president of the republic. All the presidents have had that same opinion, but none of them had the "courage" not to reside there. Will you have that "courage" not to move to Alvorada?

[Answer] I like the Torto Farm; however, I see nothing impracticable about living at Alvorada.

[Question] Does the future president of Brazil intend (as has been speculated) to increase the public-popular meetings in Brasilia, or during his visits to the states? Why?

[Answer] I shall give a hearing to whoever requests it.

[Question] On 20 October, you will be in Itaipu, together with President Geisel and in the capacity of president-elect of Brazil. The president of Paraguay, Gen Alfredo Stroessner, will also be there; and your friendship with him was consolidated while you were serving in that country. Your intention to continue Itaipu is already well known; but what is being asked is how that good present relationship between the two countries can be consolidated without overlooking Argentina.

[Answer] I shall continue all of President Geisel's projects. As for the matter of Argentina, a fraternal nation to which I shall devote particular attention, I think that the slight problems which may perhaps exist will be naturally taken up at the negotiating table. We, Brazil and Argentina, are two mature nations.

[Question] Because of Itaipu and other common issues relating to the South Atlantic, is it true that the first country that you will try to visit after taking office is Argentina? But will you also attempt to visit all of South America and certain Latin American countries seeking unity regarding the improved marketing of products on the foreign market?

[Answer] I shall study all the invitations that have been tendered me. I want to maintain direct contacts with several heads of state, particularly those of the South American and African nations.

[Question] Likewise in connection with South America, it has been remarked that one of your great concerns is the much-publicized communization of Africa and its repercussions. In view of this, can we anticipate an action on the part of the future Brazilian government to increase the security in the South Atlantic and/or to foster diplomatic action as well in the so-called Southern Cone?

[Answer] Brazil maintains relations with all countries, without interfering in the political model of government.

[Question] On several occasions you have said that you did not advocate a reactivation of trade relations with Cuba, claiming that Fidel Castro is still "exporting" communism to Latin America. Until a short time ago, Brazil had that same opinion regarding Communist China. However, all it took was for the United States to reach an understanding with Peking and break off from Formosa for Brazil to join it. At the present time, the Americans have resumed their understanding with Cuba (this is a well-known fact). Is this an indication that Cuba is changing, or that the United States is changing, as Brazil might eventually change also?

[Answer] Brazil did not join the United States in resuming relations with China. It reactivated them because that action served the national interests. We have a great market in China, and I think that that country will increase

in importance as a trade partner of Brazil. As for Cuba, so long as that country continues to export revolution, I see no reason for such reactivation.

[Question] One of your most accepted statements was that regarding emphasis on agriculture and livestock, including the promotion of major assistance that you hope to obtain in the area of exports. In view of this, aren't you concerned, for example, over the international blockade on purchases of our meat based on the allegation that there is a lack of health and sanitary conditions?

[Answer] We are not merely an exporting country; we are also purchasers, mainly of equipment. Hence, I do not believe in the efficacy of any blockade on our products. In the event that there were one, we would give reciprocal treatment.

[Question] What is the ideological line for a party of the future president (of ARENA itself, if it be the one): right, center right, center, center left, (it is no use asking about communist), socialist, and the British or German type?

[Answer] I describe myself as a center social democrat, a reformer and an innovator. There is no British or German type. My model is Brazilian.

[Question] You oppose the creation of national students and workers entities (let us forget the initials UNE [National Student Union] and CGT [General Labor Confederation]), on the assumption that politics should be carried out in the parties. But if those groups are not satisfied with the present or future parties, will they be excluded?

[Answer] The new legislation will allow those who are dissatisfied with the present parties to join others.

2909

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BRAZIL

GOVERNMENT DEFENDS NATIONAL NUCLEAR PROGRAM

Magazine Article Rebutted

Rio de Janeiro JORNAL DO BRASIL in Portuguese 11 Oct 78 p 19

[Passages enclosed in slantlines printed in boldface]

[Text] "The already-installed Congressional Investigating Committee [CPI] of the National Congress will allow a profound analysis of the Nuclear Agreement in its great significance for the economic and technological future of the country and with respect to its viability," states a joint note distributed yesterday by the Ministries of Mines and Energy, Industry and Commerce, and Finance, answering recent charges on the execution of the nuclear program.

Without directly mentioning the magazine DER SPIEGEL, the originator of the charges, the notes seeks to "analyze the various charges by the publication referred to in an integral manner," to "satisfy public opinion and not the magazine, which reveals that it likes scandals rather than a search for the truth." It answers the charges of the existence of insurmountable technical problems in Angra-1 and Angra-2, exaggerated cost overruns in construction, and "insinuations" of dishonesty in the handling of the nuclear program, explaining the personal position of the three ministers cited by the magazine.

The award of the bid for the construction of Angra-2, whose work was entrusted to the Norberto Odebrecht construction company, "was the result of a careful study by FURNAS [Brazilian Powerplants], which took into account the various technical, administrative and management aspects," says the note. "That analysis," it continues, "was forwarded for the consideration of ELETROBRAS [Brazilian Power Companies Inc.], which approved it, and pursuant to legal provisions, submitted it to the consideration of the minister of mines and energy, who in view of the reasons presented, authorized the award.

Greater details on this point must now be provided by the president of ELETROBRAS, Arnaldo Barbalho, the first to testify before the Senate CPI on the Nuclear Agreement. In addition to that item, the Brazilian Democratic Movement [MDB] will focus its questions on possible defects in the construction of Angra-1 and Angra-2, criteria for the selection of the site of the powerplants, choice of technology, program of transfer of technology, financial guidelines for the execution of the agreement, and how much has been spent already.

Text of the Joint Note

"Recently a foreign magazine published material criticizing the nuclear program, containing subjects which in their majority had already been revealed by the Brazilian press, and which had already been the cause for explanations and answers by the agencies directly involved.

"At that time new explanations were made. /However since doubts and criticisms with respect to that matter continue to surface, it seems timely to analyze in an integral manner, the various aspects of the aforementioned publication. This is done to satisfy public opinion and not the magazine, which reveals it likes scandals rather than a search for the truth./

"After the phase of political pressures and resistance to the agreement by opposing interests or differing opinions in other countries, manifestations of that type were assumed in Germany and Brazil, which is not surprising.

/"The CPI of the National Congress, which has already been installed, will allow a profound analysis of the Nuclear Agreement in its great significance for the economic and technological future of the country and with respect to its viability.

"Although it is a nuisance,/ it is necessary once more to make an initial rejection of the insinuations that the Agreement may be used for the manufacture of nuclear devices.

"Frequent statements by the highest Brazilian authorities have always been to the contrary in perfect harmony with the traditional Brazilian pacifist position./

"On the other hand, the agreements on safeguards with the International Atomic Energy Agency (IAEA) signed by us are a guarantee that we shall not proceed in such a fashion. /The very agreement between Brazil and the Federal Republic of Germany has as its basic premise that it shall not be used for warlike purposes./ Reason indicates to us the unfounded nature of such insinuations because if we wanted such a program, we would have followed another more direct and more rapid strategy, as occurred in all the countries which have atomic weapons.

"The position of the Brazilian government on the subject of nuclear weapons has been expressed many times already by Itamarati and by the president of the republic himself. Brazil is a steadfast defender on the international plane of the principle of nonproliferation of nuclear weapons and it interprets that principle in the broadest possible terms.

"On the other hand, the statement that the country will not need nuclear energy for a long time because it has large waterpower resources is erroneous.

"The introduction of nuclear energy is aimed, in a first phase which corresponds to the decade of the 80's, at complementing hydroelectric power, providing reliability to the electrical system in periods of drought and allowing regulation of its voltage.

"Therefore, /the decision to build nuclear powerplants in Brazil is not incompatible or competitive with the political guideline adopted at government level of making the maximum possible use of hydroelectric power./ In fact, it means a valid and coherent energy alternative for the gradual replacement of petroleum.

"That complementary concept may be clearly verified by the fact that at the end of the next decade, when the first eight nuclear powerplants programed with a total of 10 million kilowatts, go into operation, the installed capacity of hydroelectric energy should reach 70 million kilowatts.

/"The high rates of increase in the demand for electrical power, which in the past 5 years were around 12 percent, will lead to the progressive exhaustion of our waterpower potential in the decade of the 90's, particularly in the most developed region of the country. Only then will the effort in the nuclear area be able to exceed the investment in the water-power sector./

/"It is not correct either to declare that the cost of the nuclear powerplants we are building are frightfully high. Actually, in the case of Angra-2, the cost is estimated, at present prices, at nearly \$1,570 /KWE installed. This cost is comparable to international prices,/ increased in our case by higher costs resulting from adaptations of the project to local conditions, transportation, credit and export insurance, higher costs of national equipment and longer construction time resulting from the fact that this was a pioneer activity for us.

"A large number of those items will not appear, or will be reduced, in the next powerplants we shall build. These costs could have been smaller if we had chosen a project without the transfer of technology (of the turnkey type) and with a low share for national industry. These, however, are not our objectives.

"Another untruthful assertion, which must be definitively denied, is that which points to the Brazil-Germany Nuclear Agreement as a multimillion business which only favors that country unilaterally. Actually, the Agreement should concomittantly favor the legitimate interests of the two countries. If this were not so, this Agreement would not have had the ability to prevail as it has prevailed against so many attacks against it.

"It is important to emphasize that with the program being executed Brazil will go on to learn all the technology of one of the most important energy sources for the coming decades, a technology of sophisticated nature ranging from the production of electrical energy from nuclear sources to the reactor industry and to the entire fuel cycle, including the concentration and enrichment of uranium and reprocessing.

"Investments foreseen up to 1990 of \$13 billion in nuclear powerplants and \$2 billion in the NUCLEBRAS [Brazilian Nuclear Corporation] program, will represent nearly 12 percent of the amount the country will spend in the electrical energy area during the period. It is well to remember that a considerable portion of this will be long-term financing.

"We shall not import eight nuclear powerplants from Germany. Beginning with the third powerplant, it can be said that the equipment will be manufactured in the country and complemented with imported equipment. This complement will be reduced successively in each powerplant down to the value of 20 percent or less in the eighth unit.

"It is important to know that /nearly 75 percent of those \$15 billion will be spent in Brazil to pay for manpower, materials and contracts with engineering companies and with national industry./

"In return, we shall have assured, in the medium and long terms, the energy needed for the development of our country. We shall have transferred to our country a technology of greater sophistication, which will provide the opportunity for the development and improvement of our engineering and industry at international levels.

"On the other hand, /German-Brazilian activities aimed at locating uranium deposits are proceeding normally./ The selection of areas for prospecting and research are made jointly, the Brazilian side being very interested in the success of the work, not only because of the importance of the matter in the context of the agreement, but also because of the fact that the greater part of the investment in the joint enterprise was provided by NUCLEBRAS itself. In this respect it is pointed out that Brazilian uranium reserves continue to increase year by year.

"We also wish to touch on the technical problems that have appeared in the construction of Angra 1 and Angra 2.

"First, it is necessary to say that all countries, including those with the highest technological and economic levels, encounter difficulties in the development of their nuclear programs.

/"It is understandable, particularly in the initial stage, that projects with the complexity and scope of those of Angra-1 and Angra-2 encounter difficulties/ of a technical and management order. Difficulties such as these also crop up in nonnuclear undertakings. /Therefore, there is no reason for denying that we have had problems and that it has delayed the schedules originally established. These problems, however, are perfectly soluble and are being suitably solved,/ always keeping in mind the primary tenet of the safety of the powerplants.

"It is necessary to bear in mind that the problems we have faced in Angra-1 have nothing to do with the Brazil-German Agreement. It was the intention of discrediting the nuclear agreement which attempted to establish undue connections.

"Moreover /with respect to Angra-1,/ it was said imaginatively that the reactor was rotating on its axle into the ground and that the main axle of the generator was out of alinement. This is a flagrant lie. /The Westinghouse reactor is installed in its respective reactor building whose foundation, a slab of reinforced concrete, rests directly on solid rock. The settling--already corrected--occurred in the turbogenerator building where only conventional equipment is installed. There is, therefore, no problem of turbogenerator alinement.

/"With respect to Angra-2, its foundation has no problem that has not been satisfactorily resolved by engineering./ Contrary to what has been said, the average cost of each pole [presumably transmission line towers]--paid in cruzeiros--is on the order of \$35,000 (and not up to \$250,000 as was mentioned).

"The opinion on the location of the group of powerplants, that is, the Admiral Alvaro Alberto Nuclear Central [CNAAA], is hasty in that it criticizes because there is no industrial center nearby. It shows a lack of knowledge of our economic geography and the Brazilian area. The CNAAA is suitably located within the main triangle of industrial and residential consumption of the Southeast Region, being 130 km from Rio de Janeiro, 220 km from Sao Paulo and 360 km from Belo Horizonte. Moreover, the CNAAA, which will have more than 3,000 MWE installed, will be solidly interconnected with the extra high tension (500 KV network of the region.

"Another mistaken opinion is that of applying the possible delays of Angra-2 and 3 to subsequent powerplants. That delay will not be transferred to the other powerplants of the program, which was planned with the idea in mind that the demand for electrical energy would increase by 11 percent per year. Actually, the increase in the demand in the 1974-1978 period has been slightly higher than foreseen.

/"The authorization, after public bidding for contracting the Norberto Odebrecht Construction Company (CNO) to carry out the civil work of Angra-2 and 3, was the result of careful analysis by FURNAS, which took into account the various technical, administrative and management aspects. This analysis was forwarded for the consideration of ELETROBRAS, which approved it, and pursuant to legal provisions, submitted it to the consideration of the minister of mines and energy, who in view of the reasons presented, approved the authorization in the aforementioned bidding.

/"FURNAS, as the responsible agency for the civil works of Angra, is ready to provide the necessary explanation to public opinion, including in case necessary, when there are possible changes which can take place in a project of such complexity. In a like manner, NUCLEBRAS is ready to do the same with respect to its own activities./

"Finally, we wish to vehemently reject the insinuations that there was dishonesty in the handling of the program.

"The aforementioned publication, in an irresponsible manner, sought to take advantage of apparently divergent reports to insinuate absurdly, without any factual or rational evidence, that the differences in figures were to be used for an unknown purpose.

NUCLEBRAS and the INPI [National Patent Institute], in a joint note, have already explained this question as follows:

" A) The figure of \$104 million mentioned by NUCLEBRAS refers to contracts for providing industrial technology and for technico-industrial technology, and it expresses constant values in 1977 money:

" B) The figure of \$468 million mentioned by the INPI--first estimated at nearly \$400 million--encompasses the \$104 million mentioned by NUCLEBRAS plus the costs contained in the contracts in the other categories (concessionaires of public services, engineering firms and equipment manufacturers) expressed in current money, which means monetary values corrected for the time the payments are made:

" C) The amounts in the contracts registered in the INPI refer to payments throughout the duration of the contracts, whose average time in the case of the nuclear sector is 10 years. Actual annual disbursements are made directly to the providers of technology or services by means of Central Bank certificates, observing the total registered in the INPI.

With respect to the alleged involvement of Minister Calmon de Sa, it would be well to emphasize, as has already been published, that on one hand, the question under consideration is entirely outside the area of the jurisdiction of the ministry he heads.

And on the other hand, the contracts made with the Norberto Odebrecht Construction Company resulted from a public bid made in 1972, at a time when Minister Calmon de Sa no longer exercised any function in that company or participated in any government agency or body.

With respect to the alleged participation by Minister Simonson, as was also already explained, the contract between FURNAS and Westinghouse having to do with the construction of the Angra-1 powerplant was signed on 7 April 1972 as a result of a proposal presented in January 1971.

"Cobrel Industria e Comercio has been providing services to Westinghouse since January 1949 and control of its stock was acquired by the Bozzano Simonsen Bank in January 1973, 9 months after the signing of the contract for the construction of the Angra-1 powerplant. Both of these events took place, therefore, much before Minister Simonsen assumed the post of chief of finance.

Minister Mario Henrique Simonsen is not a stockholder of the Bozzano Simonsen Bank. He owns 5 percent of the capital of the holding company which controls the Bozzano-Simonsen group. He has held no office on the board of directors of the group since 1974.

In conclusion, the government wishes to affirm that it will carry out the nuclear program with serenity and the greatest seriousness despite pressures and opposing interests.

On the other hand, /the government is open to criticism which could contribute to better solutions in the execution of the program. In this respect, it has been recommended to the responsible agencies that they provide explanations on any doubts which may arise and we watch over the validity of those explanations with the aim of making any suitable changes required./

/"Any criticism, even mistaken criticism, shall be well received, attributing good faith to it./

"As a final word, we wish to reiterate that it is not true that the Nuclear Agreement is about to be reviewed. Both governments have abided by it correctly and strictly in its terms within the schedule established."

NUCLEBRAS President Testifies

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 14 Oct 78 p 8

[Text] NUCLEBRAS President Paulo Nogueira Batista, testifying in Brasilia before the Congressional Investigating Committee, which is investigating charges made against the Brazilian nuclear program, declared that the decision to contract the Norberto Odebrecht Company without a public auction for bids for the civil construction of Angra-2 and 3 is the exclusive responsibility of FURNAS. After explaining that NUCLEBRAS has nothing to do with the matter, Nogueira Batista said that he did not know the details of the contract signed by FURNAS, adding that the FURNAS decision was based on current legislation.

The session of the CPI yesterday was ended at 1900 so that its members could attend the plenary meeting and vote on constitutional projects and amendments. For that reason, the deposition by the president of NUCLEBRAS should be concluded next Tuesday. In his deposition yesterday, Paulo Nogueira Batista denied that the Brazilian nuclear program could suffer a revision with respect to the construction of the eight nuclear powerplants scheduled, in answer to a question by Senator Saturnino Braga (MDB-Rio de Janeiro). He revealed that the powerplants--despite the fact that they were recommended by ELETROBRAS much before the creation of NUCLEBRAS--will be maintained because of the simple fact that even the thought that the number of powerplants could be decreased would cause harm to the industrial sector, recalling that the entire program "is entirely interdependent." In his opinion, a technological package exists and it would be impossible to imagine a decrease in the number of powerplants to be installed.

He denied that the eight units must be purchased from Germany. According to the NUCLEBRAS president, Brazilian industry will provide one-third of the equipment of Angra-2 and 3 and will supply more than three-fourths of the equipment of the eighth powerplant. On the average, national supply of the equipment for the eight powerplants will be more than 60 percent and consequently the imported share will be less than 40 percent. All the components of the nuclear steam generator system after Angra-3, according to Paulo Nogueira Batista, will be manufactured by NUCLEP [NUCLEBRAS Heavy Equipment Inc.] in Itaguaí. Beginning next year, national participation in the eight powerplants, if civil construction, engineering and installation are considered, will be 80 percent.

The NUCLEBRAS president defended the Brazilian nuclear program, saying that today after only 3 years have passed it has become "a very palpable physical reality, for which reason once more doubts have arisen abroad, and unfortunately also in the country, with respect to the execution of the agreement with Germany." From some sectors, according to him, there has arisen criticism that it may be too early for Brazil to begin the construction of nuclear powerplants because of the existence of a vast waterpower potential which has not yet been fully utilized. It is an attempt, in the opinion of Paulo Nogueira, to establish an alleged competition between the two sources of energy, "a sort of reasoning which does not, however, reveal an adequate medium and long-range view, something which is absolutely indispensable when one speaks about energy supplies."

Rate

The rate of installation of additional generating capacity foreseen is "perfectly compatible with the development of the market for electricity, which doubled during the past 6 years and is exceeding government estimates."

According to the NUCLEBRAS president, the market for electrical energy grew more rapidly than that of other energy sectors because of the developmental stage the country is reaching. "It is within this framework that the construction of up to 10,000 megawatts of nuclear power by 1990 was foreseen, supplementing the progressive exhaustion of the known waterpower potential and providing a thermal base for the Brazilian electrical system, which could not operate with assurance of a complete supply of power by relying exclusively on the amount of rainfall," he said.

The president of NUCLEBRAS said that nuclearpower and waterpower are perfectly compatible; the former being an alternative, not for water but for petroleum, in the generation of electricity. "Although a noticeable increase in the consumption of national coal may be foreseeable, that will take place primarily in the areas of urban gas, iron and steel industry (coke and direct reduction) and in the production of cement. In the generation of electricity, its use will be restricted to mining zones and will not exceed three percent of the total by the end of the century," he said. Paulo Nogueira Batista also referred to the high costs of the first nuclear powerplants. They will, by definition, be more expensive because of their pioneer nature. The cost per kilowatt installed of Angra-2 and 3 should be \$1,570 at present prices, however, the average cost of the eight units of the nuclear program according to him, should be around \$1,300 (1978 values).

"Even if we consider the costs of Angra-2 and 3 as typical for the subsequent units, which is not a true projection, the cost per kilowatt installed of hydroelectric power in order to be competitive, including the required transmission lines, should reach \$1,500. Of the inventoried waterpower potential of 80,000 megawatts to be used by 1990, a good share--around 10 percent of the sites being used--already show costs which are higher than those of Angra-2," he explained.

Paulo Nogueira Batista was ironic about the suggestions made by U.S. Senator Edward Kennedy that Brazil should reexamine the nuclear agreement signed with Germany, saying that only after reading the Kennedy statement he noted a strange coincidence: the rebirth in the United States of that type of criticism after the criticism made in Europe. In his opinion, however, there exists no circumstance for declaring that there is an organized international campaign against the country in that sector.

Senator Italivio Coelho (National Renewal Alliance [ARENA]--Mt), for whom Edward Kennedy is "an old critic of Brazil," said that the statements made are part "of a world orchestration of thwarted interests by those who would like for Brazil to purchase black boxes only." In the opinion of the ARENA senator, "The United States does not know what to do with so many nuclear devices, trying to sell them to other countries, finding it difficult to understand the objectives of Brazil in the nuclear sector."

There was much surprise when Senator Otto Lehmann (ARENA-Sao Paulo), who asked for the floor from his party colleague Italivio Coelho, declared that the German magazine DER SPIEGEL did not criticize Brazil in the imperative sense but only used verbs in the conditional sense. He had a translation in his possession--which will be placed in the records of the CPI--in which in his opinion there were only hypotheses and not facts. The CPI recording secretary, Senator Jarbas Passarinho (ARENA--Parana) immediately answered the hypothesis of the Sao Paulo senator, citing portions in which there were affirmative phrases in the charges by DER SPIEGEL. Requesting the floor, Senator Dirceu Cardosos (MDB-Espirito Santo) criticized the legislator from Sao Paulo, who in reply heatedly declared that he was "proud of being a descendent of a German," even speaking the language well, "in addition to others."

Haste Caused Errors

Rio de Janeiro O GLOBO in Portuguese 13 Oct 78 p 19

[Text] Campinas (O GLOBO)--Physicist Rogerio Cesar de Cerqueira Leite, general coordinator of the schools of the Campinas State University (UNICAMP), declared yesterday that the charges made recently by the German magazine DER SPIEGEL on the Brazil-Germany Nuclear Agreement serve "mainly to divert attention from the real problems of the Brazilian nuclear option." In his opinion, "The civil engineering errors which occur in the execution of the nuclear program, and which very probably will occur again in the continuance of the work, are irrelevant for the future of the nation."

"This is a matter of new technology and subject to the natural risks of a pioneer endeavor. Perhaps it is only the consequence of the hurried manner in which the program was initiated," he said.

Rogerio Cesar de Cerqueira Leite reflected that perhaps, in a general way, the placement of the three reactors in Angra dos Reis could be criticized, "but the fundamental question obviously continues to be the economic feasibility of the nuclear alternative with respect to the other choices Brazil may have." "Today," he added, "no one denies the fact any longer that electrical energy from nuclear sources is very much more expensive than that from hydroelectric sources. Nor is there any argument on the point that Brazil has a large and usable waterpower potential at prices which are much lower with respect to nuclear energy."

The UNICAMP physicist said that "The myth that the abundant resources found in the Amazon region are of no use to us because of the distances involved must be answered in two ways:

"The national development policy jointly proposes a decentralization of productive activities, which would be arrived at naturally with the availability of cheaper electrical energy in the North and Northeast Regions.

The costs of transmitting electricity using relatively simple technology, although considerable, are sufficiently low so that the supply of electrical energy produced in the Amazon region will be competitive for the Sao Paulo region." Cerqueira Leite explained that "nuclear energy is not economically competitive with any other energy source of importance at the moment." According to him, "Even fossil fuels are cheap enough to provide electrical energy as an alternative to hydroelectric power in special cases."

"In addition to that, the assurance of supplies of fossil fuel is much greater than that which is required for nuclear energy, which would cost nearly four times more compared to that produced by waterpower resources in south Brazil."

The UNICAMP physicist had doubts with respect to the Brazilian nuclear program.

"There is no assurance that we will have fuel because we do not have our own technology for uranium enrichment. We must also consider that national uranium reserves are relatively poor and insufficient for fueling nine reactors for half of their useful life of 30 years."

Cerqueira Leite also added that the purchase of uranium from other countries would become more and more difficult because there are not enough reserves in the entire world and sooner or later they would be withheld for strategic reasons.

"We must always remember that the nuclear industry is in a definite decline worldwide," he said. The United States and Germany are drastically reducing their own expansion programs in the nuclear area."

Physicist Rogerio Cesar de Cerqueira Leite emphasized that "any government has the duty to review its projects when there is a change in economic conditions."

"The price of uranium increased in a decade. The costs of investments today are 10 times higher than 10 years ago and the increase noted with respect to uranium enrichment is in the same proportion. If, as is happening, all costs continue to increase rapidly, only considerations of a nontechnical and noneconomic nature will prevent a review of the Brazilian nuclear program," he concluded.

Powerplant Vulnerability Discussed

Rio de Janeiro O GLOBO in Portuguese 13 Oct 78 p 19

[Text] The secretary general of the Brazilian Physics Association, Luiz Pinguelli Rosa, once more rebutted the reports by NUCLEBRAS and the National Nuclear Energy Commission [CNEN] that the Angra dos Reis atomic powerplants

can withstand the impact of a Jumbo-B-747. "Neither is it true that only a Phantom at supersonic speed could cause serious damage to the reactor." The physicist declares that "The most important part of that polemic is its contribution to changing the closed and undemocratic criteria for decision with respect to the location and safety of the nuclear installations which is being requested by the Brazilian Physics Association." He says that although it is very improbable, a serious accident with a nuclear reactor would bring extremely serious consequences for the safety of the population.

Change in Thickness

Luiz Pinguelli Rosa reports that the thickness of the walls of the containment vessel of German reactors similar to those to be built in Brazil (1,300 megawatts), with the exception of Angra-1 (627 megawatts), is 1.80 meters, determined by the standards of safety against the impacts of an aircraft current in that country. The thickness of the containment vessel walls of Angra-2 and Angra-3 reactors is .60 meters according to the plan, reducing the thickness because the U.S. standard was selected instead of the German for the reactors of German design also.

"An elementary mechanical calculation with simple hypotheses on the distribution of the mass of the aircraft throughout its length and on the time of duration of the collision will allow obtaining the magnitude of the maximum values of stress and pressure that the containment vessel must support in terms of mass, dimension and speed of the aircraft. Based on those figures, it is necessary to use semiempirical civil engineering formulas to determine the thickness of concrete capable of resisting the stress caused by the crash. Those formulas, although complicated, are available in specialized publications."

The scientist concluded saying that the thickness of 1.80 meters is necessary to withstand a force whose maximum value is 110,000 KN. "That is the stress the containment vessel must support to withstand the impact of an aircraft of nearly 22 tons in weight, 30-meters long and at a speed of 800 kilometers per hour, without major damage."

Luiz Pinguelli argues also that it is not obvious that German safety standards should be adopted unrestrictedly. It is also not obvious that they should be reduced without broad discussions in which the risks assumed for reasons of economy are made clear. "Specifically, the criterion of maximum safety possible is not compatible with the reduction in protection against the crash of an aircraft and with the location of the reactors near the air route with the heaviest traffic in Brazil."

The most common characteristics of commercial aircraft, according to Physicist Luiz Pinguelli, are as follows:

	Length	Mass With Fuel at Takeoff	Cruising Speed
Boeing-747	70 m	330 tons	900 km/h
DC-10/30	55 m	250 tons	890 km/h
Boeing 727/200	48 m	79 tons	870 km/h

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CHILE

SPANISH ARMS SALE REPORTED, JUNTA FOES ANGERED

Equipment to be Shipped to Valparaiso

Madrid EL PAIS in Spanish 7 Oct 78 p 6

[Text] Authorization has recently been given to ship a cargo of military equipment from Cadrete in Zaragoza to the port of Valencia, from where it will be sent to Valparaiso, Chile. On Tuesday the 3rd the Plus Ultra insurance company issued a letter of guarantee or provisional insurance for the transportation of the merchandise, which was specifically described as military equipment. It is packed in 2,600 containers, with a total weight of 88,100 kilos and a volume of 264 cubic meters.

Pursuant to Tuesday's letter of guarantee, the cargo was shipped from Cadrete (where there is a major military magazine) to the port of Valencia, where it will be loaded on board the Arroi bound for the city of Valparaiso.

According to the insurance letter, the consignee of the shipment is the General Directorate of Logistics of the Republic of Chile, the consignor being the Aragonese transport firm Insta Aza, S.A., which on occasion handles merchandise like this.

According to the aforementioned document, the equipment that was shipped in six trailer trucks from the province of Zaragoza is valued at 135 million pesetas (\$1,849,000).

The existence of the document was disclosed during a meeting in Zaragoza yesterday afternoon between the leaders of the Human Rights Assembly and a number of representatives of the Sandinist National Liberation Front, who have come to the capital of Aragon to head up a series of activities designed to support the armed struggle of Nicaraguan guerrillas against the Somoza regime.

According to the letter of guarantee issued by the insurance company for the transport of the military equipment, the trucks that took the cargo to the port of Valencia were escorted by agents of the Civil Guard.

Allende's Widow Deplores Move

Madrid EL PAIS in Spanish 10 Oct 78 p 2

[Text] Hortensia Bussi, the widow of Chilean President Salvador Allende, was surprised and astonished at the news item published in EL PAIS last Friday concerning the shipment of arms to the Chilean Military Junta. Her stay in Madrid is in connection with the preparations for the International Conference of Solidarity with Chile. She is one of the main figures who has called for the conference, which will be held in the Spanish capital next 9 November. In an interview with Rafael Fraguas she talked about the current situation in Chile, relations with Spain, the political moves pursued by the junta and international solidarity.

"It is distressing to the entire Chilean democratic opposition that Spain is exporting a major arms shipment to the Chilean Military Junta, and above all now, when we are advocating a political, trade, economic and general boycott against Pinochet, who is going through a truly critical political time. Our distress contrasts with the satisfaction we feel because the government party, the Democratic Center Union, for which I request the support of all for the Chilean democratic cause, together with the Spanish Socialist Workers Party, the Spanish Communist Party, the Workers Commissions and the General Union of Workers, has called together the World Conference of Solidarity with Chile."

More Violations of Human Rights

More than 350 political figures, intellectuals and scientists from 51 nations, as well as 28 international organizations, will meet in Madrid from 9 to 12 November to express solidarity with democratic Chile and to condemn and denounce not only the dictatorships of the Southern Cone but also the Nicaraguan dictatorship and the situation in Puerto Rico. "The international conference will be an appropriate forum," she adds, "from which to denounce the situation in my country and in all the oppressed countries of the Americas."

With regard to the human rights situation in Chile, President Allende's widow said that the repression has changed in her country, becoming more sophisticated and utilizing new methods. "The disappearances for an indefinite period of time are no longer taking place, given the reaction of relatives of the missing both in Chile and overseas in their heroic struggle, but now they kidnap the most combative individuals, torture them for a few days and then take them back home, in the attempt to terrorize them out of a new opposition."

"As far as the much publicized amnesty is concerned, it is just a fallacy. Recently, the wives of five political leaders tried to see the Chilean interior minister. He refused to grant them an audience, telling them that neither they nor their husbands could ever return to Chile. All exiled Chileans, almost a million of us, demand our right to return."

She also said that the Chilean Military Government "is violating human rights in Chile because it is subjecting the working masses to unemployment, if not hunger. Child labor is again in full swing in Chile. An especially harsh repression in this regard is practiced against women. In the textile sector, the majority of whose workers are women, when a woman becomes pregnant, she is immediately fired, which severely jeopardizes her survival and the survival of the future child."

Opposition Gains

With regard to the political situation in Chile, Hortensia Bussi stated that the Chilean democratic opposition has made significant gains towards its goals in the recent period. "All of the parties of Popular Unity have gotten together in the underground inside the country, and the administrative bodies of these parties, such as the Socialist Party, are incorporating leaders who are already established inside Chile."

As leading indicators of the current strength of the opposition in Chile, she pointed to the events of this past 1 May, the mass strike of the Chuquicamata copper miners, the steadily more unified action of all political forces in Chile and the formation of the "group of the 24," which is made up of jurists, almost all of them ministers under Alessandri and Frei, who have categorically rejected the constitution drawn up by a Pinochet official, Ortuzar.

Compromising Documents

Relations between Washington and Santiago have deteriorated since it came out in the press that Orlando Letelier, the former Chilean foreign minister, was murdered in the U.S. capital by agents of the former Chilean military police force, DINA [National Intelligence Department]. Some circles speculate that Washington will succeed in getting Pinochet to extradite the head of DINA, Gen Manuel Contreras. "It is in no way certain that Contreras will be extradited," Allende's widow pointed out. "We know that before the start of his trial in connection with the Letelier affair, Contreras sent 10 suitcases with secret documents from Punta Arenas to an unknown destination, possibly the Federal Republic of Germany. This is the best proof that Contreras is well defended, because everyone knows," Hortensia Bussi adds, "that he would have never dared to assassinate Letelier, or Pratts, whose death was also at the hands of DINA, unless he had the approval of and direct orders from Pinochet himself."

CHILE

BUSINESSMEN CALL FOR MORE 'AGGRESSIVE' ECONOMIC POLICY

Santiago QUE PASA in Spanish 19-25 Oct 78 pp 19-20

[Text] The roundtable convened recently by Maria Elena Ovalle, the president of the Guillermo Subercaseaux Institute of Banking Studies, was both very interested and well-attended. Its topic was a very timely one: the opening to the international money market.

The major fluctuations in interest rates for some time now, the fact that they have been too high at certain periods (as now) and the shortness of savings and credit terms are sufficient reason—in the view of a number of experts (mainly private)—for monetary authorities to introduce some innovations into their financial policy in order to smooth out the capital market. Banking and business circles are of the quite widespread opinion that the country would benefit from an open door to the international money market and a more liberal treatment of the inflow and outflow of foreign capital, as the only effective remedy for the instability of our domestic money market. Nevertheless, this position is not fully shared by the government's economic team (especially the Central Bank authorities), who still have certain apprehensions in this regard, which is why they are proceeding with extreme caution in this somewhat complicated field.

This was the proposal backed at the roundtable by Daniel Tapia de la Puente, the director of the Central Bank. In contrast, Sergio Baeza Valdes, the manager of the Studies Division of the Osorno Bank, gave a speech on behalf of private domestic banks, which favor a more aggressive approach to financial policy. The members of the audience, mostly banking sector executives, also had a chance to take part in the concluding forum.

There are two limitations on an open financial system in our country: the margin of foreign indebtedness of the banks and the time period at the end of which the capital can leave Chile.

In view of the scarcity of credit and, therefore, the frequent rises in interest rates, this situation prompts private firms to contract debts

overseas directly, at more desirable rates, of course, and without any limitations. But who can do this? Only those few firms that meet the necessary conditions, which means that most of them are at an obvious disadvantage. The volume of the foreign loans taken out by those few firms is so large that Daniel Tapia acknowledged in his speech that it is approaching the total volume of bank loans in foreign currency.

Another handicap for domestic banks is that foreign banks "are not affected by any of these limitations," Tapia pointed out, "because they can operate directly with domestic clients through their home offices, thus creating unfair competition for domestic banks."

These assertions, which the Central Bank fully acknowledges, are the arguments advanced by national banks in defense of their stand and by a good part of the private sector, the part, we think, that does not have direct access to foreign credit.

According to Daniel Tapia's speech, the Central Bank is still proceeding cautiously with regard to an open door to the international money market for one basic reason: controlling indebtedness in foreign currency is a major tool of credit control for the Central Bank, which is always seeking to enhance a stability that is regarded as insufficient. The specter of inflation is still lurking in ambush, and the monetary authorities do not want to be caught off guard in any contingency.

Need for a More Open Policy

Let us analyze now Sergio Baeza's position. In his view, one thing is quite clear: a greater openness to the foreign financial sector is necessary because to some extent the shortcomings of our money market today stem from the fact that the open door policy in this sector has not been as wideranging or as profound as the foreign trade sector's open door policy. Inasmuch as our country is still unable to generate a great deal of domestic savings, for various reasons, the idea is that we should take advantage of foreign savings by opening up our financial borders, thus avoiding high, fluctuating interest rates and credit under poor terms.

A financial open door policy means free access to the exchange market, that is to say, the freedom to buy and sell foreign currency in order to seize the advantages offered at a given moment by the domestic over the international capital market, or vice versa, thus leveling the two. In Sergio Baeza's view, interest rates would not be able to rise again, not even for short periods, because foreign capital would respond quickly to such a stimulus, and the rates would drop as they flowed in. The result: lower and more stable interest rates.

At first glance, the move seems perfect. Why, then, is it not put into practice? Because, as we said, the monetary authorities are afraid of inflation.

Adjustment Problems

According to Sergio Baeza, the following would happen: a large and sudden inflow of foreign capital would force the Central Bank to issue national currency to purchase the foreign currency entering the country in order to take advantage of the high interest rates in pesos. This would cause an increase in the money supply, which would threaten prices. However, in a commercially open economy like Chile's, compensation should take place through a rise in imports, in which case the Central Bank would recover the pesos that it previously issued. Moreover, the initial rise in credit would trigger a drop in interest rates, less incentive for foreign capital and, therefore, an outflow of it, which would also offset the original issuance of money.

This clear-cut picture drawn by the Osorno Bank economist is not so clear-cut as far as Central Bank authorities are concerned. They are afraid that the money issuance would not be offset as described and would, in contrast, cause inflation because the adjustment mechanism in the form of imports is not instantaneous. Moreover, if we assume that the current legislation on the periods for the inflow and outflow of foreign capital will still be in effect, the adjustment brought about by capital re-exportation would not take place either.

This must be the dangerous situation that Daniel Tapia was referring to when he said that "to some extent we are trying to minimize the chances of damages."

An Old Theory

The monetary approach to the balance of payments, which is more than a century old, has been given new currency today by experts like Harry Johnson and Robert Mundell. Sergio Baeza agrees fully with this theory, but Daniel Tapia has some reserves about it: "It is my opinion that there are certain side effects that prevent us from accepting the recently described mechanism as an absolute truth at any and all moments."

The solution, in Baeza's view, is a gradual opening up. Get rid of the limits on the foreign indebtedness of banks, but allow a controlled monthly increase in the corresponding liabilities. With regard to free access to the foreign exchange market, cut the reexport term to 1 year and at the same time begin raising the ceiling on foreign exchange purchases by nationals. He is proposing a more aggressive approach in the financial field, as has been the policy in trade.

Nevertheless, the Central Bank does not seem to be affected by the sirens' song. It continues impassively along its cautious path, above all because it feels that the solution to the interest rate problem does not lie exclusively in a greater openness to the international money market. What is its main concern? That inflowing foreign capital perform a truly productive function.

What would be the advantage to the country in taking in very short term capital?

"Obviously, it would not serve any purpose connected with the production financing of businesses," Daniel Tapia points out. "Rather, it would cover temporary shortages of liquidity in financial institutions or possibly in other kinds of enterprises. Its definition as speculative capital indicates exactly what it is for. As such, the capital can enter in inappropriate amounts and leave under the same conditions. The experience of countries that have permitted such movements has not been pleasant, because they usually respond to non-economic factors, and the amounts that move around put extraordinary pressure on the monetary sector."

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CHILE

ALLENDE'S NEPHEW, WIDOW INTERVIEWED IN HAVANA

Andres Pascal Allende Interview

Lima CARETAS in Spanish 18 Sep 78 pp 52-57

[Interview with Chilean MIR Secretary General Andres Pascal Allende by Cesar Hildebrandt, date and place not given]

[Text] Andres Pascal Allende is a miraculous survivor. Secretary General of the Chilean MIR [Movement of the Revolutionary Left] as a result of the death of his chief, Miguel Enriquez, shot in a raid, Pascal, ex-President Allende's nephew, continued his underground work against the Pinochet Regime until police encirclement forced him to seek refuge in various monasteries and finally in the Costa Rican Embassy. The military junta gave him a safe-conduct but weeks later someone made a futile attempt on his life right in the middle of San Jose. Pascal, who despite his exile is still head of the MIR, now lives in Havana where this exceptional interview was conducted on the fifth anniversary of the overthrow and death of Salvador Allende Gossens.

[Question] The way the Chilean MIR today works for unity among leftist groups bears little resemblance to its attitude when Salvador Allende was in power. Is this in part due to a feeling of guilt the MIR has because of its attitude toward the Popular Unity Government?

[Answer] That the MIR did not follow a policy of unity at the time of the Allende Government is your opinion. Obviously, there have been different opinions on the revolutionary struggle in Chile. We believed -- and we publicly said so -- that, beyond the common goal of progressing by means of revolution, it was not possible to achieve socialism in our country other than through a process of reforms, a peaceful process of transformation of the society. This does not depend on our will-power. No revolutionary aspires to violence, wants violence.

It is the forces of reaction and imperialism that force the people to resort to all forms of combat. It is absolutely clear that this is what happened in Chile. With Allende we maintained an attitude of critical support. And when the coup materialized, we fought with weapons in hand, shoulder to shoulder with our other comrades from the Chilean leftist parties. And right now we are appealing for the creation of a front that will unite all leftist and democratic forces to fight the dictatorship. This is and has been the MIR's policy of unity.

[Question] As a more or less regular reader of the weekly PUNTO FINAL, permit me to say to you, Pascal, that the MIR's policy did not seem to me to be one of critical support. The MIR's belligerence was intense and grew day by day. Now honestly, don't you think you thereby contributed to the creation of the climate that would later justify the overthrow of Allende?

[Answer] That is still your opinion. We cannot forget that during President Allende's regime we lived through decisive days when the people passionately debated over what could be the best approach to progress. Everyone was filled with enthusiasm. People are unaware of the fact that we fought with powerful arguments and maintained a tough stance on the defense of what we felt to be the proper approach. And afterwards, history demonstrated that we were right.

[Question] Now that is very controversial and it is a point we could spend several hours talking about. But in concrete terms, do you think the MIR's propagation of violence helped the Chilean Revolution?

[Answer] Do not forget, the propagation of violence came from the right. Now if you are asking me whether or not the internal debate within the left contributed to the Chilean revolution, I would say yes, that it contributed to the development of revolutionary awareness. This does not mean that we do not recognize that we have to do more toward strengthening the movement of unification of the left. We made major efforts in this direction but did not succeed. Among other things, in 1973 we promoted meetings that were presided over by President Allende himself in search of a common program for continuing the struggle. This program could not be achieved, not because of us but because other traditional leftist factions withdrew from the discussions.

[Question] The Communist Party?

[Answer] Yes, in this case the Communist Party.

[Question] You persist in supporting the thesis that violence is the only way to socialism. The situation in Latin America today, however, is least amenable to that approach. Many national armies have been turned into occupation forces in their own countries and attempts at insurrection, rural as well as urban, in Bolivia, Argentina, Uruguay, Colombia or Peru have resulted in failure. Why then fall back on this thesis?

[Answer] It is very typical of certain segments of the press to characterize the line of some revolutionary forces as one that is directed solely toward the exercise of violence. But we do not hold a policy of armed combat as being central to our aims. We want the working class and the people as well as the revolutionary forces to make use of all forms of combat. We back the masses' struggle to attain their demands, the labor unions' legal and open struggle, that of farmers, student and Christian organizations. We also promote the political struggle through peaceful means, hunger strikes, propaganda, the ideological struggle. But we also believe it is the people's right to defend itself against the violence of the reactionaries and that the people have the justifiable right to resort to arms, to prepare itself and defend itself militarily against the military aggression of the forces of reaction and imperialism. Now, in itself armed combat is either successful or not. I believe it is something that is directly related to the concrete struggle of the classes in each country. There are countries -- fewer and fewer, to be sure -- where a broad spectrum of democratic freedoms continue to exist. There it is possible for revolutionary organizations to be legal organizations and to openly pursue their political activities. But there are countries where repression forces them to resort to violence as a means of defense, to the amassing of a military force from among the people. It is not simply a matter of guerrillas or insurrections. There are different ways of conducting armed combat and they must be kept apart as demanded by the realities of the situation.

[Question] What are you referring to, to what kinds of combat?

[Answer] I think, for example, that among the Latin-American armed forces there are revolutionary and progressive elements, officers -- not many -- but they are there, noncoms and privates who do not want to repress the people. We have to win these over to the revolutionary struggle.

[Question] The other day, listening to the press conference the Chilean delegation was giving, I had the impression the power of the Pinochet Regime was being underestimated and the possibility of overthrowing it overestimated. It seemed to

me what was happening to Popular Unity leaders in exile was the same thing that happened to the Spanish Loyalists in exile in Paris with their annual prediction of Franco's downfall. Do you believe there is some of this in your situation?

[Answer] I am not familiar with the Spanish Loyalist exile during the Franco era.

[Question] But you have seen "The War Is Over"?

[Answer] Yes. What I mean to say to you is that I can only talk to you in the name of the forces I represent. Now as to the problem per se, I think we have to face up to the struggle in realistic fashion. And I believe a long struggle awaits us. The Chilean dictatorship is not a weak one and its chief strength lies in its ability to subjugate the people. It is weak in the sense that its social base is limited and that repudiation of its methods tends to become generalized. But repression has been effective. Let us not forget that approximately 40,000 people have been murdered in Chile and that, since this bloodbath, persecution and torture have been implacably resorted to against the resistance.

[Question] How would you describe the situation today?

[Answer] It is clear that that flame of resistance that has been kept going despite brutal repression has grown. Since as early as 1977, the movement of the masses has been growing and is expressed in strikes, greater activity in organizing the masses and even open, violent demonstrations against the dictatorship. The decline of the revolutionary movement seems to be over. The hunger strikes for those that have disappeared, the demonstrations of last 10 May are a clear symptom of this. The MIR, for example, has carried out small, armed propaganda actions and has broken the cycle of repression. This, of course, in addition to intensification of underground press activity. At the same time, there has been some deterioration of the dictatorship's situation.

[Question] So the triumphal march has begun?

[Answer] No, no fear of that, because we do not delude ourselves into expecting the immediate downfall of the dictatorship. The primary objective of the coup and the assassination of Allende was to subjugate the masses. A dictatorship is predicated on the basis of this necessity. But there is another objective, not an immediate one but no less important than the first. And that is to implement a new model for capitalist accumulation, an economy that serves the monopolistic and

wealth-holding middle class and foreign capital. A repressive state is a necessity in establishing this model, which provides privileges for the monopolistic middle class, works to the detriment of other segments of the true middle class, annihilates extensive sectors of small- and median-scale industry and impoverishes the lower middle class and lower income groups of the population. This is a model that opens the doors to imperialist pillage and orients the whole economy to the production of goods primarily destined for export through what they call comparative advantages. It is a model based on over-production as a factor in bringing the prices of products basically intended for the foreign market down. It is therefore a model that has made enemies of the middle and lower middle classes which initially supported it. The dictatorship's sole support is the monopolistic middle class. This is the weakness I referred to earlier.

[Question] All right, but it is also obvious that this horrible model can economically as well as politically change, can produce factions that make it less intolerable, although its strategic objective is essentially maintained.

[Answer] I agree with you completely. Some imperialist and middle class factions promote a process of institutionalization, of reappropriation. Politically it is not a matter of returning to a democracy, rather one of lifting the face of the dictatorship; nor economically is it a matter of changing the model, rather one of doing so in a manner less brutally prejudicial to large segments of the real middle and lower middle classes. These tensions lead to a series of contradictions. There is today, indisputably, middle-class opposition to the dictatorship. And this has been a factor in the periods of political crisis the military junta has gone through, the biggest of which was the dismissal of General Leigh and 18 Air Force generals.

[Question] A concrete question: What would be the significance of the hypothetical downfall of Pinochet?

[Answer] If Pinochet is overthrown, it will not be for a return to democracy. The new general or civilian who replaces him would take over an equally repressive government that serves the monopolistic middle class and with the armed forces guaranteeing the economic model.

[Question] Let us return to our earlier question. Why did the Popular Unity Party fail? Because, aside from the rightist conspiracy, the CIA's million-dollar effort, the fact is that the Chilean left failed in the government, was incapable of maintaining a program and a minimum of coherence in its ranks.

[Answer] The problem was simple: The Popular Unity Party was in office but had no power. Having the power means much more than gaining office. It means controlling production, winning over the military power of the nation's reactionary forces, retaining the organized and eventually armed support of the masses.

[Question] What are the left's prospects in Latin America?

[Answer] It is getting harder and harder for the revolutionary forces to act openly and legally. The middle class in Latin America has resorted and will more and more resort to dictatorial regimes to maintain its privileges and the inhumanity of their system. And this is why the masks are gradually falling.

[Question] Does this mean that attainment of your goals through elections is virtually ruled out?

[Answer] We cannot in principle say that any form of combat is impossible. What we are doing is to claim that that route is closed off in most Latin-American countries. When I speak of electoral channels, I refer to something that is almost impossible, that is, to honest elections in which the left has the true freedom to express itself and offer its alternatives. For there are also dictatorships that call elections but they are masquerades. Or do you think the Bolivian elections were democratic? To say nothing of the farce of the Pinochet plebiscite.

[Question] If in most of Latin America electoral channels are ruled out and if the armed forces are invulnerable in the case of any rash attempt at insurrection by leftist factions, what channels do remain open? To succeed in splitting the armed forces and hope for civil war?

[Answer] It is not I who am called upon to determine which revolutionary strategy the forces of each country ought to develop. I only know it must correspond to the specific reality existing in each country. What I would say to you is that weapons are manned by people. Weapons do not fire themselves. Behind a weapon there is a human being. And I believe we can win over many of these people to use these weapons against those who exploit, against those who subject the people to tyranny. I also believe the people can learn to use weapons and can also, if necessary, use them to overcome. It is not an easy road, I know, but the road to freedom never is.

[Question] The Chilean left in exile considers its number-one priority to be the overthrow of the dictatorship. To that end, it constantly appeals for additional forces. On the other hand, it cannot deny that the Christian Democratic Party apparently continues to be the largest single political power in Chile. You of the MIR, would you come to an arrangement with the Christian Democratic Party to overthrow the junta?

[Answer] The Christian Democratic Party is a party composed of several classes but run by the middle class. We have no doubt that it includes many workers, officials, intellectuals who are sincerely democratic and who day by day add their numbers to the daily struggle against the dictatorship. But the Christian Democratic leadership is reactionary, a leadership headed by Frei who was one of the chief persons responsible for the military coup in Chile.

[Question] But perhaps Frei could be gotten rid of by some agreement made with the Christian Democratic Party?

[Answer] I am convinced of it or at least that we must try for it. One thing is certain: There are many sincere and antijunta Christian Democrats who are fighting alongside us, alongside other leftist comrades in the resistance. And they, I am sure, must remember with much bitterness how Frei decisively contributed to the installation of the dictatorship.

[Question] Now, there are a lot of Communists who claim that you contributed as decisively as or more so than the Christian Democrats to the creation of the climate that produced the military coup.

[Answer] I repeat somewhat: We did everything we could to promote the unity of the revolutionary forces tied into a program that would have meant a real advance toward socialism. There were some who did not want this.

[Question] One last question, Pascal: How many men, how many militants has the MIR lost since 11 September 1973?

[Answer] It is hard to know exactly how many. Many MIR members died during the first few days of resistance. Many of our comrades' names are on the missing-in-action lists and at least 1,500 were killed in combat during the first 3 years. I do not think I am exaggerating in saying that we have lost about 5,000 comrades since 11 September.

Hortensia Allende Interview

Lima CARETAS in Spanish 18 Sep 78 p 57

[Interview with widow of ex-President Salvador Allende, Hortensia Bussi de Allende; interviewer, date and place not given]

[Text] Petite, with lively eyes and a high-pitched voice, Hortensia Bussi de Allende, the widow of Salvador Allende, remembers Chile's ex-president as a "profoundly human man." Never mind the fact that her daughter Beatrice, devastated by depression, committed suicide in Havana. "I fight out of respect for the memory of my family and of all those who have died at the hands of the dictatorship," said Hortensia de Allende, for whom General Pinochet is "the cruelest and bloodiest of men." This is the rough gist of a conversation held in Havana:

[Question] Have your views changed in any respect since 11 September 1973? Have they undergone any radical change?

[Answer] I have simply reaffirmed my faith in the struggle for democracy and progress.

[Question] What prospects do you see for the fight against the Pinochet Government?

[Answer] Everything will depend on the unity of those of us who oppose the junta. The left must strike united.

[Question] Including the MIR [Movement of the Revolutionary Left]?

[Answer] Yes. We cannot make distinctions now at a time when the task is to get Chile to return to democracy.

[Question] Will the Christian Democratic Party be included in this common task?

[Answer] Of course. We must create a large front which includes all who believe in democracy. The only ones who cannot be a part of this front are those whose hands are stained with blood, the blood of those who have been murdered, tortured.

[Question] Don't you think you sometimes underestimate the durability, so to speak, of the Pinochet Government?

[Answer] I don't think we underestimate Pinochet's power.

For the moment he is triumphant. But there are divisions and differences within the armed forces and Pinochet's victory over Gustavo Leigh has cost him a lot. This means that Pinochet will fall too. When? I don't know. The only thing I know is that, if the people were to vote freely in Chile, 80 percent would vote against the junta. In Chile there is hunger, there is unemployment and the middle class, which did not support us, which fought us, today opposes the junta.

[Question] The middle class the Popular Unity Party also knew how to cultivate.

[Answer] That's it. It did not know how to conquer it.

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COLOMBIA

VICE PRESIDENT OR 'DESIGNEE': VARIOUS VIEWS EXPRESSED

Bogota CROMOS in Spanish 20 Sep 78 pp 10-12

[Article by German Manga]

[Text] Until 1977, Colombia was one of the few countries of the world which, in accordance with the national constitution, could be governed by two presidents at one time.

For that reason, congress abolished the designee system which provided that, in the absence of the president of the republic the individual elected beforehand by the Senate to replace him took office, that is to say, he became another president, with the attributes and economic benefits (life annuity, etc) which our constitution offers to the chief executive.

Since then, the designee has assumed the character of a substitute who only takes the president's place for reasons of: resignation, vacation, illness, death, removal, permanent incapacity or abandonment of position. During the president's short trips, replacement does not occur. Now, on such occasions, his place is taken by a delegated minister.

In any event, and despite this kind of "dismantling" of the institution, at the beginning of the new legislative session the subject of the election of the designee has once again become news. Following presentation of a draft constitutional reform, prepared in the Senate by Dr Carlos Holmes Trujillo whose intent was to establish the vice presidency in our country patterned after the United States (the individual responsible for taking the president's place would be elected by popular vote), there was a resurgence of sharp controversy in all political groups, this time oriented toward the importance of questioning the political effectiveness of the last reform, compared with others possibly offering better options.

In this report, the designee candidates and a senator from each of the political parties and groups express their thoughts on this subject to CROMOS.

Questionnaire

1. Are you in favor of keeping the designee system as it is presently constituted, or would you be in favor of establishing a vice presidency?
2. Do you think it proper for certain administrative functions to be assigned to the designee, to remove from him the passive character in the administration with which he has been identified up to now?
3. Considering the fact that he may possibly have to take the President's place, would it not be more reasonable for the appointed designee to be a person knowledgeable of all the facets of the position (the Minister of Government, for example) instead of intrusting it to someone who is completely alienated from the administration, as has occurred many times during the last few years?



Abelardo Forero Benavides: former minister of government. Politician, historian, university professor, he was elected representative on the Tubayist slates of Cundinamarca.

1. "I am in favor of keeping things the way they are. The designee should be a person who has the total confidence of the president. The election of a vice president is the work of an alliance, of the linking of two names that may be of comparable stature, which at a given moment could produce very bad effects."
2. "The designee should not for any reason be a government official. If that were so, he would immediately be at the orders of the president of the republic, which is undesirable from any standpoint. He could quickly become counselor of state, as he was for example in other times, but in no case, I repeat, a government official."
3. "I believe that in politics there should be no hypotheses. Therefore, to respond to this question I prefer to stick to the present situation, in which we three candidates are linked with congress and because of it are totally aware of how things are done in the administration. As much so or more than a minister."



Gustavo Balcazar Monzon: Attorney, former governor of Valle del Cauca, member of the National Liberal Directorate, former minister of state, he was elected senator on the Turbayist slates of Valle.

1. "Reform of the designee system took place a short time ago. It seems to me that the constitution is not a statute which can be the subject of modifications every day. That does not mean, however, that I am opposed to the study of an alternative, such as that of the vice presidency. I think if that is the way we go, we should give much consideration to the results it produced when in force during the past century and compare them with the functioning of the present designee system."
2. "I think in this case, too, we should not consider a new reform of the constitution. There is no impediment at the present time to the designee's eventually assuming the position of the presidency without having functions proper to the executive branch of government."
3. "I do not find it necessary for the designee to be a minister, although there is validity at times to the coexistence of the two positions. In a related vein, it is clear that no member of the political class of the country can remain unaware of the affairs of state. Inside and outside the country, the running of the government is one of the basic concerns of every public person."



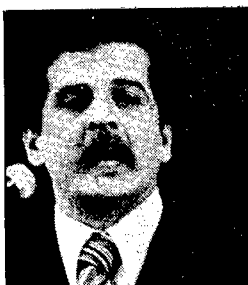
Victor Mosquera Chaux: He was the only candidate in favor of establishing the vice presidency. He is the first liberal leader from Cauca Department. Also a member of the National Liberal Directorate, he was elected senator on the Turbayist slates of that department.

1. "I was one of the first politicians to speak of the advisability of re-establishing the institution of the vice presidency. It seems to me that the position of designee at present is more honorary than anything else. He only replaces the president in very special cases and not in accidental cases which are those that normally occur.

"The designee system was established to obviate the danger of possible coups d'etat, a circumstance which is not, however, contemplated. The democratic institutions in Colombia are now securely established; there is a solid democratic awareness in the country. After the national front, all of the mechanisms of democracy were fully reestablished, to the point I think, in the present circumstances, that it is not advisable to deprive the Colombian people of their right to elect the possible successor to the president of the republic."

2. "If the institution of the designee system is retained--personally I am thinking of advocating its replacement by a vice presidency--I would be in favor of giving some duties to the designee. Previously I was chairman of the Council of State, for example. There are also a number of economic and social councils of which he could be a member, ever seeking his more direct collaboration with the president, in his management of the government. In any event, I think that in order to draw up a law, or to concretize those ideas in a draft constitutional reform, we would have to study the problem in greater depth."

3. "It does not seem necessary to me that the designee be a minister. If the designee is a member of congress, for example, it is assumed that he took part in an election campaign and, therefore, is perfectly knowledgeable about the government's programs."



Luis Carlos Galan Sarmiento; Former Minister of Education, former ambassador to Italy, present coeditor of the weekly, NUEVA FRONTERA, and columnist for the newspaper, EL TIEMPO, he was elected senator from Santander on the slate of the Liberal Democratization movement, whose orientation was provided by former president Carlos Lleras.

1. "I think that under the present circumstances in the country, it is better to maintain the system as it is. The alternative of the vice presidency lends itself to undesirable political scheming. What I find is really a cause for concern is that the Senate will forget at the time of the election, as is occurring now, that the designee is elected for the possible responsibility of replacing the president of the republic. Something very similar to what we saw in the last election is happening, namely, that we did not, in my opinion, conscientiously select the president of the republic (the February election was artificial), in that election factors such as the mechanics of the election process were more important than the qualifications of the candidates."

2. "I would not be in favor of this. In other countries where there is a vice presidency, despite the good intentions of the president, the vice president has no role in the affairs of government, because parallelisms are present that pose problems for both of them. Carter, for example, intended to make Vice President Mondale a key man in the international policy of the United States. Forty-eight hours after he entered office, he sent the vice president on a tour of several countries. However, that was only a phenomenon of the first 15 days of his administration. After that, nothing more was heard of him."

3. Without involving the designee in government decisions which could cause him a political setback, it is important for him to maintain good communication with the president. He should be a loyal man who has the president's confidence."



Jaime Castro: Former minister of justice, former presidential advisor, he was elected senator on the Boyaca Turbayists slates.

1. "I think that the designee system is more suited to the political institutions and temperament of Colombia."
2. "I consider this quite viable. With a very large margin of discretion. He should not automatically perform a number of duties but rather those which the president of the republic freely assigns to him."
3. "This situation provides for those occasions when the President of the Republic is temporarily absent. In the case of definitive absence, this would be the equivalent of the president's selecting his successor, which removes the democratic character the appointment of the designee now has."



Cornelio Reyes: Former minister of government, political leader of long standing, he was elected senator on the Valle del Cauca conservative Alvarist slates.

1. "I am in favor of the designee system because it has demonstrated that it is a useful institution, maximally so since the last constitutional reform in which it was provided that the president is to be replaced in case of temporary absences by the delegated minister, which eliminated the previous presence of two presidents at a given moment. The designee becomes a replacement in very special cases, and expertise in government affairs is

required for succession to the presidency by this individual. The vice presidential system is equivalent to establishment of a kind of permanent coup d'etat threat vis-a-vis the president of the republic."

2. "I recall that Dr Gilberto Alzate criticized the designee system, stating that the individual who recieved the appointment only served to preside over charity benefits. He has no clear and specific function. The designee should have several duties and responsibilities, although to give these to him would require a constitutional reform which has been attempted without positive results up to now.

"In my opinion, the designee could, for example, serve in congress if he is not a congressman and handle a number of matters for the presidency itself, to the degree that he is knowledgeable of how the government is run, etc."

3. "That idea was proposed on another occasion by Dr Laureano Gomez in a famous decree which established the presidential succession beginning with the minister of government and ending with the governor of Magdalena, at that time. All the governors, and even the mayor of Bogota, could possibly succeed the president. What happens is that since the presidency is a popularly-elected institution, the designee system should have an election as a qualified as that of the congress and should not be at the will of the president of the republic."



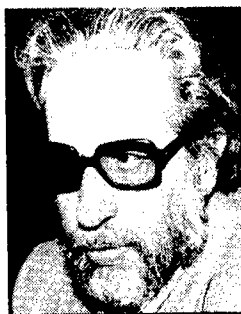
Bertha Hernandez, viuda de Ospina Perez: One of the most controversial politicians of the last few years. Several times senator of the republic, a newswoman, she expresses her thoughts through "El Tabano" [The Gadfly], the column which is published daily in LA REPUBLICA and which on numerous occasions has given rise to great political and administrative crises.

1. "I find that the establishment of the vice presidency could be of benefit to the country. However, in order to establish it, we would have to wait for the next elections. For now, it is inevitable that we continue with the designee system."

2. "I would be in favor of giving a number of duties within the government to the individual responsible for replacing the president. We would have

to study which duties are given to such a person in other countries. In any event, this, too, would have to be accomplished at the next elections."

3. "The three candidates proposed by the liberal sector for the designee position, in my opinion, without being ministers, are perfectly knowledgeable of how the government is running things."



Humberto Criales de la Rosa: He is the only senator representing the leftist movements. He was elected by the UNO (National Opposition Union). Recently he participated in a debate in defense of the left, which was accused of promoting the wave of terrorism that has been shaking the country lately. He was the only congressman to state that he was in favor of the establishment of the vice presidency.

1. "We (the UNO) would be in favor of a vice president, as he would have a democratic character, having been elected by popular vote, the same as the president."

2. "He could have a series of duties as happens in other countries in which he is a kind of assistant to the president, a liaison with congress and at the same time a kind of observer of how the government is run, a kind of ombudsman which they copied from the Scandinavian countries."

3. "That would be inadvisable in the sense that all ministers are freely appointed and removed by the president, and the designee would be a political heir of the latter. With a democratically-elected vice president, it is the will of the people that would prevail."

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CSO: 3010

COLOMBIA

COST OF LIVING, EFFECTS DISCUSSED BY MAGAZINE

Bogota CROMOS in Spanish 20 Sep 78 pp 20-22

[Text] For the family budget, the cost of living has always been a kind of "threatening specter" because of the complex interpretations which economists insist upon giving to it with their capricious statistical charts and arithmetic formulas which no one understands. But reality is quite another thing; housewives are the ones who daily suffer the consequences of the financial imbalance which causes a constant increase in the cost of living. They are the ones who understand the rigors of daily reality which mean that every day they have less money with which to buy the same amount of goods at the market.

CROMOS conducted an exhaustive investigation to establish the true figures of this modern evil which is besetting all the economies of the world. The years 1970 to 1978 were selected for the purpose of analyzing the various categories ranging from products of the so-called "family shopping basket" to the price of movie admissions, with some consideration given to reading material and transportation.

This report leaves out the causes of the economic phenomenon, considering that the factors which impact upon the cost of living are quite varied and that the responsible parties are definitively governments, not the long-suffering housewives.

What we really want to show are the effects produced by economic maladjustments and attempt to establish a number of self-defense measures so that the family can confront the tremendous voracity of the economic machinery which is threatening to stifle the future of our country by the social deterioration it brings about.

To establish understandable guidelines, we will take two typical families from Colombian society composed of five persons: husband and wife and three children. One family is in the MB (middle lower) class and is called Family "A." The second family is in the MA (middle upper) class which we will call Family "AA."

The Cost of a Meal

By listing the products which make up a family-type meal, we can clearly observe the disproportionate price increases in those so-called "family shopping basket" articles.

The family which we have labeled "A," spent a total of \$16.88 to prepare a lunch or dinner in 1970 with the following breakdown: 1 pound of rice (\$2.10), 3 pounds of potatoes (\$3.45), 1 pound of yucca (\$1.20), 1/2 pound of second quality meat (\$6.48), 5 soft drinks (\$2.15), and miscellaneous: salt, oil, spices, etc. (1.50).

In 1978, the same meal cost that family \$90.37 which permits the deduction that prices have increased 186.78 percent in the period of the last 8 years; this is equivalent to an average annual increase of 23.34 percent, a figure which contradicts the official figures that are not over 17 or 18 percent per year.

Let us now look at the different menu of Family "AA": 1/2 pound of butter, 1 pound of cheese, 1 chicken, 1 pound of tomatoes, 1 pound of peas, 100 grams of oranges, 1 pound of coffee and 1 dozen fruits. The cost of this meal in 1970 was \$77.18 and at present \$257.65, which means an increase of 33.8 percent, a figure which indicates that the price of the articles has increased 178.71 percent. [figures as given]

A Day Out

Let us take a reading on a day out for Family "A" in 1970. The father decided to take both his wife and children to a movie; the trip to the movie and back, the purchase of a Sunday newspaper, a pack of cigarettes, the movie admissions and a soft drink for the sweet tooth cost \$29.40. Today, the same outing could easily cost \$99.00, an increase of 336.73 percent.

For Family "AA," the tastes are different, as are the costs; however, the increases are similar. Let us take a look:

This family does not travel in a bus as did Family "A." Instead it will seek the services of a taxi; five admissions to the Palermo movie house, an excellent establishment in the country's capital; after the show, the family will eat a large pizza, drink two mineral waters and three soft drinks and buy EL TIEMPO, for a total of \$116.90. Today, that same outing costs \$370.00, an increase of 316.50 percent.

Housing and Services

For both the families which we have selected as models for this report, the cost of housing is one of the highest because of the inordinate price increases registered in this category in the country. There is no congruity

between rentals or property values and wages as there normally should be. Let us take a look at some numbers:

In 1970, a house with three bedrooms, kitchen, dining room and two baths, located in the barrio of San Antonio, south of the capital, rented for 600.00 pesos, with the respective services (electricity, water, telephone, gas, and domestic service) bringing the figure to 800.00 pesos.

At the present time, the same house is not less than 5,000.00 pesos, without services; however, the total service costs amount to approximately 810.00 pesos. The combined figures produce an increase of 830 percent, while services experienced a percentage rise of 247 percent.

For our Family "AA," in 1970 the rent for a house located in the northern part of the capital (northwest) cost \$2,100.00, whereas at present, because of the "freeze" on rentals which permits 100-percent raises in rents of controlled houses as soon as they are vacated, a family must pay an average of 19,000.00 pesos which means a percentage increase of 904.76.

Living More Costly than Eating

If Family "A" had decided to buy that house in 1970, it would have had to pay \$35,000.00, to acquire this amount it would have had to put aside the salary of the head of household (\$2,800) [monthly] for 1 and 1/2 years. Today, with a salary of \$11,000.00 and the house valued at \$230,000.00, it would have to set aside his salary for 21 months, and also invest all of it. This permits us to observe that the increase in the price of housing was 757.14 percent. At the price of a house (Family "A") 8 years ago, today a down payment can be made only on a quite plain house, without any kind of comforts.

In the other example, the price rise is similar, which demonstrated the enormously disproportionate movement upward noted.

A Ban on Getting Sick

So as not to be alarmist, let us suppose that in our Family "A" one of the members has a slight touch of the flu; this simple illness, aggravated perhaps by lack of attention, made it necessary to use the services of a doctor at home and the logical purchase of drugs; this complete service in 1970 could easily have totaled 350.00 pesos. This year, the same conditions and degree of the flu cost 800.00 pesos or more, an increase of 228.57 percent, which is not so alarming if one compares it with maternity costs. Let us see: 8 years ago the birth of a child, with 3 days of confinement for the mother, cost \$1,000.00. Today, the same service for Family "A" is at least \$4,000.00, that is an increase of 358 percent. [figures as published]

For Family "AA," the birth of a baby with all the specified procedures (psychoprophylactic treatments, checkups every 30 days and every 8 days in the last month, specialized medical consultations, talks on rearing children, delivery and 3 days of confinement in a private room) easily totals \$15,000.00 for those who have presented a income statement and whose monthly income is 25,000 or 30,000 pesos. This same delivery in the clinic of the Old Counrry, north of the city, costs \$25,000.00 or more. In 1970, these costs were less, in some welfare centers, by 250.9 percent.

Cost of Living and the Lottery

There are other indicators which give us an example of the tremendous rise in the cost of living in the last 8 months. For example, if in 1970 you bought a lottery ticket in Cundinamarca, you were assured of a top prize of \$600,000.00; the same lottery today pays a prize of \$5 million, that is, the juicy four numbers of the lottery have increased 833.7 percent [figures as published].

A pound of coffee on the international market was set at 0.60 of a dollar in 1970, while the present price is US\$2.14, an increase of 336.6 percent.

If in 1970 you were able to buy a Renault-4 automobile, you had to pay \$70,000.00, while in 1978 you pay \$225,000.00, that is an increase of 321.42 percent. The American dollar in 1970 was quoted at a buyer's exchange rate of \$17.93 and a seller's exchange rate of \$17.97. Today, the rates have climbed to the respective figures of \$38.97 and \$38.99, which means that monetary devaluation over the last 8 months has been on the order of 212 percent. [figures as published]

Brief Conclusion

The experts have given assurance that this frenetic rise in the cost of living is a worldwide problem which is in response to a serious crisis the world is facing at this time because of the costly programs of technological and energy development. However, the consequences of the problem directly affect those who have little resistance to these advances of the modern era. In our country, the situation is having dramatic side effects which the whole world can observe daily. The situation in Colombia goes beyond the intellectual statistical analyses which are prepared in plush offices; beyond economic and political conferences. The problem goes to the very heart of society; of that society which is fighting desperately to keep from falling into the absolute misery in which many persons are suffocating every day, adding new scenes to the pitiful scenario of mendicinity and madness which are rife throughout the world, with the pathetic image of Colombia submerged in poverty.

The Figures Speak for Themselves

Articles	1970	1978	Percent Increase
Meat	7.40	42.00	567
EL TIEMPO (daily)	1.00	5.00	500
(Sunday)	1.20	6.00	500
EL ESPACIO	0.80	5.00	625
Pielroja [cigarettes]	1.20	6.00	500
Rice	2.10	10.42	496
Beans	5.53	26.38	477
Milk	1.49	6.63	444
Soft drinks	0.43	2.70	627

Note: The figures cited throughout the article were taken from the daily newspapers, EL TIEMPO, EL ESPECTADOR and EL ESPACIO, for the month of January 1970, 1972, 1974, 1976 and 1978. In addition, the following sources were consulted: Bogota Supply Center (CORABASTOS) and the bulletins and information booklets issued by the National Department of Statistics (DANE), also in Bogota. Special consultation was held with the offices of control and prices of the respective superintendancy in the Bogota International Center; also the Newspaper Service of the National Library of Colombia. [all figures as published]

While the cost of living rises in the country, the development possibilities of most Colombians are reduced.

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CSO: 3010

CUBA

U.S.-CUBA ISSUES PURSUED IN HAVANA REPORTAGE

Cuban Expatriates Assassination Testimony

Havana GRANMA in Spanish 20 Sep 78 p 8

[Article by special correspondents Gabriel Molina and Alberto Landa]

[Text] Washington, 19 Sep--The intelligence operation mounted by the CIA in an attempt to implicate Cuba in the assassination of President Kennedy suffered a severe set-back before the Select Committee of the U.S. Congress which is carrying out the investigation.

Eusebio Azcue and Alfredo Mirabal, respectively the departing and incoming consuls from Cuba to Mexico when Lee Harvey Oswald, presumed assassin of President Kennedy, requested a visa for entering Cuba 2 months before the assassination, voluntarily testified at the congressional hearings, authorized by the Cuban Government to travel here for that purpose.

The statements of both Cuban former consular officers as well as those of Silvia Duran, Mexican former secretary of the Cuban consulate in Mexico in 1963--the latter on tapes--contained material to weaken the allegations and spurious testimony used at that time and used again in the last few years to further the anti-Cuban operation.

Some of the misconceptions exposed by G. Robert Blackey, chief counsel of the Select Committee and head of the team, based on those three testimonies, indicate that the presumed assassin Oswald was carrying newspaper clippings and other documents, some authentic and others false, in an attempt to demonstrate that he was a "friend of Cuba."

During the session of Tuesday the 19th, tapes were listened to which were made during the 4-hour interview which Cuban State Council Chairman Fidel Castro held in Havana last 3 April with a delegation of congressmen and investigators, members of the Select Committee, as part of the task they are carrying out.

The appearance of the Cuban witnesses before the Select Committee, established in 1976 to investigate the assassinations of President Kennedy and Martin Luther King, is taking place in one of the buildings adjacent to the Capitol in Washington which form the Congressional complex.

The session was conducted by Congressman Louis Stokes, chairman of the Select Committee, together with Congressman Richardson Preyer, vice chairman. Also present were Congressmen Christopher Dodd, Harold J. Ford, Floyd Filman, Samuel Devine and Charles Sawyer.

The first to answer the questions of Gary Cornwell, counsel of the Select Committee, was Eusebio Azcue who, in a clear and relaxed voice, explained that he had worked as an architect in Mexico from 1944 until 1959, when he started working in the foreign service of the Cuban Revolution.

At the same time an enlarged photo was shown of the visa request submitted to the Cuban consulate in Mexico by Lee Harvey Oswald on 27 September 1963. It was handled by the secretary Silvia Duran, and has been used in a campaign by the enemy press to link Cuba to the Dallas events.

Azcue explained that Oswald, using supposed credentials of the Communist Party of the United States and of the Committee for Fair Play for Cuba, was attempting to obtain a visa for Havana for 2 weeks, in transit to the Soviet Union. When he was informed that he should fill out a formal request with photographs he became angry and left. Later on he returned and tried to exert pressure to get a visa quickly, saying that he was being pursued, but Azcue told him that it had to be approved by Havana unless he presented the Soviet visa.

"Oswald returned for a third time and was noticeably nervous," Azcue said. I have never seen anyone as insistent despite our negative replies. He raised his voice in an insolent manner and I was obliged to ask him to leave the consulate."

In his statement the incoming consul, Alfredo Mirabal, pointed out the fact that Oswald arrived with a membership card of the Communist Party of the United States, which has been denied by U.S. communists.

"This should be investigated," Mirabal said, "for I have been a communist for many years and I can tell you that a communist does not identify himself by presenting a party membership card, but rather by his conduct and his ideas."

The session ended with the words of Congressman Stokes, chairman of the Select Committee, who thanked the Cuban Government and Chairman Fidel Castro for the facilities extended to the committee to carry out their work in Cuba.

U.S. Congressman Stokes Thanks Cuba

Havana GRANMA in Spanish 22 Sep 78 p 5

[Article by special correspondents Gabriel Molina and Alberto Landa]

[Text] Former high officials of the FBI were evasive at the hearings of the House of Representatives Select Committee. Former President Ford is expected to appear today.

Washington, 20 Sep--James H. Gale, assistant director of the Inspection Division of the FBI, admitted today that that agency of the government of the United States had not done everything it should have in the investigation of President Kennedy's death.

The admission, virtually forced by the questions of Congressman Stokes, chairman of the Select Committee of the House of Representatives that is investigating the assassination in Dallas, was a sort of an answer to the principal question which the committee is asking itself with regard to the behavior of the FBI in the case: Was the investigation improperly handled within the FBI?

The witnesses were not conclusive with regard to the remaining questions: Was the conclusion that Oswald was the only one implicated too precipitous? Did the bureau's experts on Cuban exiles and organized crime participate in the investigation?

Little was brought out clearly by the intense interrogation to which Gale and previously James R. Malley, criminal investigator and the FBI liaison with the Warren Commission, were subjected for almost 5 hours even though, in addition to counsel James McDonald and Robert Genzman, Congressmen Stokes, Fithian, Edgar, Ford, Dodd, Devine and Sawyer participated.

Malley and Gale answered in a manner that was for the most part evasive. But it was also virtually established that the activities of exiled Cubans were not investigated by consulting the FBI experts nor were the FBI experts on organized crime consulted to determine the links between Jack Ruby, Oswald's assassin, and the Mafia.

In a previous report read by Robert Blackey, chief counsel and director of the team, it had already been established that Jack Ruby had connections with gangsters in Chicago, Dallas, New Orleans and Havana, which was so well-known by the FBI that they used him several times to provide information about them.

Blackey said that these angles had not been investigated. Witness Malley admitted that when the investigation was being carried out, no one told him that there was a note from Oswald to the agent James P. Hosty 10 days before Kennedy's assassination.

"If I had known of the existence of the note I would have done something," Malley stated. "I did not know of it until I read about it in the newspapers last summer."

Today's session was characterized by the prodding manner in which many of the Congressmen tried to draw conclusions from the witnesses in the face of evidences of a weak investigation.

The angry tone in which Representative Dodd asked about the "business relation" between the FBI and the Warren Commission, to which Malley had referred, was noteworthy. In a confused manner the witness said that he had been "misunderstood."

Stokes asked about a statement which William C. Sullivan, one of the former FBI assistant directors, had made to the commission in 1975, to the effect that Hoover did not look favorably on the establishment of the Warren Commission. Malley defended Hoover, saying that he had always instructed him to cooperate with the commission.

When Stokes insisted on knowing the reason why Oswald's note had been destroyed, Malley claimed that he did not know, since he had not even known of its existence.

In the press circles at the sessions the comment was made that the former FBI officials had at least been uncooperative. By way of contrast the statements made on Monday and Tuesday by Congressman Stokes were recalled, reaffirming the extraordinary aid rendered the investigation by Chairman Fidel Castro and Cuban officials when the Committee went to Cuba.

The interrogations started yesterday were continued with the appearance of Thomas J. Kelley and James J. Rowley, respectively inspector and chief of the Secret Service in charge of the protection of the President, who stated that although the FBI and the CIA had information about Oswald, the Secret Service did not know of this.

"Otherwise we would have known what we should have been doing the day of President Kennedy's death," Kelley and Rowley told the members of the Select Committee.

If in yesterday's session the fact was brought out that there had been a lack of coordination between the various government agencies, in today's session this broadened to an impression of a lack of cooperation.

Meanwhile, it became known here that Ex'President Ford, who was a member of the Warren Commission, will appear in tomorrow's (today's) session.

CIA Involved Cuba in JFK Murder

Havana GRANMA in Spanish 23 Sep 78 p 6

[Article by special correspondents Alberto Landa and Gabriel Molina]

[Text] Former President Ford, members of the Warren Commission and a former secretary of Justice of the United States appeared in the hearings of the Select Committee of the House of Representatives.

Washington, 22 Sep--When former President Ford appeared as a witness on Thursday at the hearings which the Select Committee of the House of Representatives is holding on the assassination of John F. Kennedy, he admitted having had a meeting with an FBI official shortly after the crime in Dallas because he was disturbed by the manner in which the investigation had been set up by the then Chief Justice of the Supreme Court, Earl Warren.

Ford, who at that time was a Congressman and was appointed by President Johnson to the commission, said that he had met on two occasions in December 1963 with Cartha D. Loach, assistant director of the FBI, "because he feared that Warren, when he appointed Warren Olney general counsel, was establishing a one-man commission."

Although the former White House Chief asserted that he had contacted the FBI only in December, the observers in the hearing room commented that his relations with the bureau date back to 1949, the date when he entered Congress. The questions on this subject arose out of an internal FBI memorandum, recently declassified, in which an allusion is made to the meetings.

Later on, in replying to a question, Ford categorically stated that under no circumstances could it be asserted that the investigation conducted by the Warren Commission was in any way deficient. He added that the FBI was asked for all the information and that if it did not supply it, it was the fault of the FBI and not of the commission.

Robert Blackey, chief counsel for the Select Committee, summarized the significance of Thursday's hearings. He recalled that John F. Kennedy was the fourth U. S. President who was a victim of assassination and he explained in narrative form the origins of the Warren Commission up to September 1964 when, 9 months after its creation, it published a report contained in 26 thick volumes, in which it stated the facts, analyzed them and drew conclusions about the assassination. The renowned criminal lawyer pointed out that from that time to the present there have been praises for the enormous effort expended, also criticisms. The latter are directed basically against the conclusion that Lee Harvey Oswald was the sole assassin and that there was no conspiracy whatsoever.

Blackey pointed out that as a consequence the U. S. people doubt more and more the accuracy of the results of the investigation. These uncertainties increased when in 1976 in the Senate Intelligence Committee hearings it came to light that certain federal agencies such as the CIA and the FBI had not acted with as much candor as the Warren Commission had thought.

This same Senate Committee reached the conclusion that both agencies withheld important information which they did not turn over to the commission as had been stipulated.

Keeping these factors in mind, the three members of the Warren Commission that are still alive appeared at Thursday's hearings: Ford; John Sherman Cooper, senator for many years and now retired; John J. McCloy, former undersecretary of war, former president of the World Bank, and now chairman of the General Advisory Committee on Disarmament.

McCloy admitted that the FBI had made mistakes and he denied that he had conferred with that agency or with the CIA as Ford did. He defended the theory that a single bullet wounded Kennedy and Governor Connally, even though the latter asserted the contrary a few days ago. He supported the theory that Oswald was the sole assassin and that there was no conspiracy. This view was also defended by Sherman Cooper.

The next witness was J. Lee Rankin who acted as general counsel for the Warren Commission.

The witness made critical remarks about the report the FBI did not turn over, a fact which was reflected in the Warren Commission's report and caused the loss of the close relations of friendship which Rankin had had with the director of the FBI.

He pointed out that even some of its members exerted pressure to have the commission complete its work before the presidential elections of 1964 so that the Kennedy case might not spoil the campaign or be a subject of controversy at the conventions of the Democratic and Republican parties.

He also spoke of the differences between the FBI and the Secret Service; he mentioned that the CIA had participated in the attempts to assassinate Fidel Castro; and he said that it was the CIA itself that had implicated Cuba in the assassination of Kennedy.

Finally he pointed out that in spite of everything those conclusions [of the Warren Report] were correct, but he hoped that the present work of the Senate committee might serve to let the American people know the truth.

The Thursday hearings ended with the testimony of Nicholas Katzenbach, former attorney general of the Johnson administration, who alluded to internal conflicts and to bad relations between the FBI and the CIA during the period of the investigation, but he declared nevertheless that the public should be satisfied.

Perplexed, the Congressman from Connecticut, Christopher J. Dodd, member of the investigating committee, asked him how the people could feel satisfied when the FBI, only 3 days after the death of Kennedy, could reach the conclusion that Oswald was the sole assassin.

Helms Attempts to Kill Castro

Havana GRANMA in Spanish 25 Sep 78 p 6

[Article by special correspondents Gabriel Molina and Alberto Landa]

[Text] Washington, 24 Sep--The explanations given by Richard Helms, former CIA director regarding the plots against the life of Party Chairman Fidel Castro caused indignation in some Congressmen and perplexity in most.

Helms appeared on Friday before the Select Committee of the House of Representatives, which is investigating the assassination of President Kennedy, to answer inquiries about the effectiveness of the investigation made by the CIA after the assassination and whether he had provided others with the relevant information he had. He also was to answer whether there had been a previous relationship between the CIA and Oswald and whether that relationship could have extended as far as complicity in the assassination or at least to the concealment of that relationship out of fear that the CIA would be accused of complicity.

The subjects were announced by Robert Blackey, chief counsel of the Committee, who continued by giving the history of the CIA, its structure and functions.

Blackey referred to the movements of Kennedy's presumed killer, Lee Harvey Oswald, starting with 1959, including his stay in the Soviet Union and his visits to the Cuban and Soviet consulates in Mexico in an attempt to obtain visas to both countries in September 1963, 2 months before the assassination.

He added that the CIA plots to assassinate Fidel Castro in complicity with the U.S. Mafia are now public knowledge.

Helms began his intelligence connections in 1943 in the Office of Secret Service [OSS] together with Frank Wisner. They negotiated the turnover to the United States of the Nazi intelligence apparatus of General Gehlen. He later went on to the CIA and at the time of Kennedy's assassination he was chief of the clandestine service. President Johnson appointed him deputy director of the CIA in 1964 and director in 1966, a position which he held until 1973 when he was appointed ambassador to Iran. At the present time he is a business consultant in Washington.

In 1973 Helms committed perjury before the Senate Foreign Relations Committee when he testified about the operation of the CIA against Salvador Allende's government. For this he was sentenced to a fine of \$2,000 and a suspended sentence of 2 years in prison.

During the session Helms was questioned about certain recently declassified CIA documents, about the investigation of President Kennedy's assassination, about contacts with Oswald and about plots against Chairman Fidel Castro's life, among other matters.

The document which caused the greatest sensation during this session was the CIA inspector general's report addressed to Blackey regarding the plots against Fidel's life.

The report states that it was based primarily on the outlined notes of William Harvey, one of the main executors of the plan, since the delicate nature of the affair led to the retention of no written documents dealing with it directly.

The plots fall into four different stages: before August 1960, from August 1960 to April 1961, from the end of 1961 to the end of 1962 and from the end of 1962 to 1963. Subsequent attempts were not covered by the document.

Among the various plots against Fidel's life covered in the document and about which questions were asked of Helms, some of them were very sophisticated and those which most attracted the Congressmen's attention were those carried out in complicity with the Mafia.

The report states that the first serious plan with the crime syndicates started in August 1960 using members of the Mafia with contacts inside Cuba because of their gambling interests. Richard Bissell, deputy director for Plans of the CIA, called on Sheffield Edwards to work them out. Through an agent named Maheu who had direct contact with the Mafia, the participation of John Roselli and Sam Giancana was negotiated. Bissell set aside \$150,000 to support the operation and informed Allan Dulles of the contacts. He added that Giancana had ruled out the possibility of an attempt with firearms "in typical gangster fashion" as the CIA wanted, because "nobody could be recruited to execute the task, as the chances of living through it and escaping would be slight." The "Don" in Chicago decided that it should be poisoning with pills.

Congressman Christopher Dodd asked whether the Warren Commission had been informed of this and appeared angry about those contacts with organized crime.

Helms answered that the Warren Commission was informed only of the things they asked about. When questioned about one of the documents in which it is indicated that the planning continued, directed by Helms in his capacity as chief of Clandestine Services, without informing McCone, the director of the CIA who replaced Allan Dulles, Helms replied evasively. In the face of insistent questioning on those matters he replied that the activities against the Cuban Revolution included attempts to blow up electric plants and sugar mills and to burn sugar cane fields, and many kinds of terrorist

activities. He stated that this was a political action and all the blame for it could not be placed on the agency because the President, the Pentagon, the departments of Justice, Defense and State, and the National Security Council had full knowledge of the plans and approved of them.

This was the only time Helms lost his composure. He said that President Kennedy himself in the Orange Bowl in Miami had assured the Cubans who were enemies of the Revolution that action would be taken.

A tall man with graying hair--with broad contacts and a cultivated manner, in a dark well-cut suit, a white shirt with blue stripes and a dark tie--Helms faced his questioners with great aplomb and traces of humor. His distinguished appearance did not reveal the true personality of the man, who from his office gave assassination orders, except in the coldness, the detachment with which he referred to the criminal attempts and to the relations with the Mafia hit men who were themselves assassinated after the investigative hearings of the Senate during 1975.

This attitude also infuriated Congressman Sawyer, who raised his voice to censure these deeds. The chief counsel, Blackey, for the first time during the week questioned a witness: "Can you say how this complicity with the Mafia in an attempt to assassinate Fidel Castro can be morally justified?"

"I am sorry," said Helms. "I have already said that I am sorry, and it has been the greatest mistake of my life."

Sawyer said to reporters after the hearing that the facts were incredible. Even more incredible when one realizes it is known that at that time (1963), the government was attempting to come to an agreement with Cuba through William Attwood.

Other documents about which he was questioned referred to the fact that the first contacts between the CIA and Oswald, though the Warren Commission had been informed that there had been none, went back to 1960 and dealt with information about industry in Minsk. One of the memorandums revealed that Allan Dulles instructed CIA agents on how to reply to the Warren Commission--although he was a member of that commission--regarding relations with Oswald.

Helms replied evasively on these matters. The interrogation of Richard Helms for more than 7 hours left a bad taste in the mouths of those present. During that period when Helms was ordering terrorist and criminal acts against Cuba, Latin American governments were being obliged to break off relations with Havana because the Cuban Revolution "intervened in their internal affairs."

Richard Helms could tell a great deal more about these matters and about Kennedy's assassination, but he refuses to do so.

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CSO: 3010

CUBA

INTERNAL POLITICAL AFFAIRS REPORTED IN PRESS

Camaguey Party Plenum Held

Havana GRANMA in Spanish 16 Oct 78 p 5

[Article by Joaquin Rieumont]

[Text] Camaguey--The fourth plenum of the provincial party committee met last Saturday in this city, under the chairmanship of Raul Curbelo, party first secretary.

The plenum analyzed the development of the theses of the First Party Congress, including the Economic Management and Planning System, industrial development in the 5-year period 1976-80, educational policy, People's Government organs and so forth.

The task of growth and building up of the Party was likewise examined and approved by the plenum.

The provincial party committee took note of the preparatory work for and characteristics of the province's forthcoming sugar harvest, and the work that will ensure sugar cane expansion by 1980.

Attention was directed at the same time to the cattle industry, and the need for stimulating its development in the province was emphasized.

Lazaro Vazquez, second secretary of the provincial party organization, made a speech summing up what had been said.

The plenum acknowledged the efforts made by all of our people in the main tasks carried out during the course of this year and, in particular, the work of the cane workers.

Members of the provincial party Control and Review Committee were also elected. The committee operates under the chairmanship of Facundo Martinez, member of the party Central Committee.

New Education Minister Speaks

Havana GRANMA in Spanish 19 Oct 78 p 1

[Excerpt] By applying resolutions 761/77 and 10/78, regulating the continuation of studies for pupils successfully completing the 6th and 9th grades, this year 118,487 slots were granted to students from all over Cuba currently attending teacher training schools, Camilo Cienfuegos military vocational schools, preuniversity institutes, schools, polytechnic institutes and centers, and other such institutes operated by state production and service agencies.

The foregoing information was provided yesterday during the course of a national meeting of the Ministry of Education's (MINED) Directorate of Extracurricular Education and Scholarships which was closed by Asela de los Santos, Minister of Education.

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CSO: 3010

CUBA

HAVANA PURSUES FOREIGN, ECONOMIC POLICY OBJECTIVES ON WIDE FRONTS

Full Report on Suarez Visit

Havana BOHEMIA in Spanish 15 Sep 78 pp 48-51

[Report by Bernardo Marques Ravelo: "Friendly Encounter; The Visit of the Spanish Prime Minister, Mr Adolfo Suarez Gonzalez"]

[Text] Arrival in Havana; official conversations; wreath; coin exhibit; reception by Cuban Government; trip through City of Havana and Havana; meeting in ICAP [Cuban Institute for Friendship with Foreign Countries]; visit to the city museum; signing of the treaty; press conference; victorious visit; reception at residence of Spanish ambassador; message for BOHEMIA readers; leave-taking; half a millennium later.

After the long Spanish night and in a process of political opening up without precedent on the peninsula in the last 40 years, Adolfo Suarez Gonzalez, prime minister of Spain, one of the craftsmen of the Spanish democratic evolution and one of the youngest political leaders of western Europe, arrived in Havana last Saturday at the head of an important delegation, in order to fulfill an invitation by Fidel Castro, chairman of the councils of state and ministers, for a visit which would last a brief 36 hours and 45 minutes, perhaps the shortest official stay on Cuban soil of a ruler.

Originating from the Maiquetia airport in Venezuela, where President Carlos Andres Perez had seen them off, and after 2 hours of calm traveling over the stormy waters of the Caribbean, the DC-8 jet number 401-01 from the Spanish Air Force landed on the runway of the Jose Marti International Airport at 12 noon. Fidel, Raul and Mr Enrique Suarez de Puga, Spanish Ambassador in Cuba, received the visitor at the foot of the jet stairs. Dressed in a sober ensemble of a dark blue suit, tie of the same color and shirt in a lighter shade, with an agile and athletic pace, the bearing of a sportsman at the height of his powers, with open jacket and with his spontaneous smile, Adolfo Suarez united in an embrace with the leader of the revolution.

Born 45 years ago in the province of Avila, some 100 kilometers northwest of Madrid, in the region of Castilla la Vieja, Adolfo Suarez Gonzalez comes from a modest middle class family. With a broad political endorsement his public activities cover an extensive range of responsibilities at almost all levels of peninsular administration. Civil governor of the province of Segovia, also bordering Madrid, he was later general director of Radio and Television Broadcasting and later he was to fill the post of undersecretary and minister in the first government of the monarchy. Characterized by observers as "an expert political negotiator," for the general elections of 15 June 1977 Suarez created around him an electoral coalition in which a dozen brand-new political parties with social-democrat, liberal and christian-democrat tendencies got together. This coalition was victorious in the June elections so King Juan Carlos of Bourbon, bearing in mind the results obtained in the ballot boxes, confirmed Suarez in his post and charged him with the forming of his second cabinet. Within his political action, besides the liberalizing of institutions, one owes the fiscal reform and the working out of the constitution to him.

After exchanging the first greetings, Mr Adolfo Suarez, subjected to the pressure of the cameras which were constantly besieging him, expressed to Fidel his satisfaction with arriving on the island, where his father had settled briefly around the turn of the century. The same island that 80 years ago freed itself from the tutelage of the mother country in order to undertake its independent life, mediatized by the northern neighbor whose interference in the war, due to the self-assault of the Maine, imposed an iron constraint on a people which for 30 years had provoked more than a severe headache in the Madrid Cortes in the figures of Cespedes, Agramonte, Maceo, Maximo Gomez and the revolutionary and poet Jose Marti. If in 1492 the admiral's caravels announced to the old continent the discovery of the virgin insular lands, almost half a millennium later -- 476 years to be exact -- the artillery volleys and national anthems of Spain and Cuba announced to the world the presence, for the first time, of a ruler of the country whose being informs us of the flows of the Cuban nationality.

After the formalities of protocol have been completed (the anthems of both countries; reviewing the troops; saluting the Political Bureau, the secretariat, the Central Committee, the government, the diplomatic corps and the guests; the parade of the guard of honor in front of Suarez, Fidel and Raul), the rulers get into gleaming automobiles, preceded by the escort, in order to start a work agenda of extraordinary intensity.

Right after a few minutes of rest, just enough to have a frugal bite of food, according to the custom of the illustrious visitor, and to change his suit for a lighter colored one, in tune with the merciless September sun, Adolfo Suarez, at about 3 pm that same day, arrives at the Palace of the Revolution to initiate the official discussions. Comrade Fidel presides over the group on behalf of the native population and Raul Castro, deputy chairman of the council of state, is present. On behalf of Spain, besides Suarez, Marcelino Oreja of foreign affairs and Mr Suarez de Puga, Spanish ambassador in Havana, take their places at the table.

After expressing the satisfaction felt by the Cuban Government and the people on the presence of the prime minister and his group in Cuba, Fidel wishes them a happy stay on the island. Shortly after Suarez' words of gratitude for the warm reception, topics relative to bilateral economic relations are approached, their perspectives, and other aspects of general interest, in "an atmosphere of friendship, sincerity and understanding."

Immediately after concluding the round of discussions, the Spanish prime minister heads toward the monument to Jose Marti in Revolution Square, at the foot of which he deposits a wreath and sets an honor guard for the national hero.

That same afternoon, shortly after 4 pm, the Iberian leader, accompanied by his host Fidel Castro, arrived at the headquarters of the National Bank to inaugurate the Spanish-American Coin Exhibition in the ancient part of the City of Havana, where the seal of Spanish culture, which came to Cuba during 4 centuries of domination and which is molded in the minarets, curb stones, narrow streets, roman capitals and semi-circular arches, is in evidence. The fiery coolness of the sea breeze seems to carry the rustling of ropes, masts and timbers of galleons anchored in the bay, whose next destination, after a hazardous crossing, will be none other than the Exchange in Seville, point of entry of all the gold and precious stones of the West Indies. The coin show, consisting of 680 pieces, is probably the most complete which ever before traveled outside of peninsular regions. Suarez and Fidel walk through it, while listening to pertinent explanations. The Spanish ruler points to a commentary near a coin; the Cuban questions him in this regard. In these same rooms the distinguished visitor can observe a small sample of painting and ceramics, transferred to the national financial body by the Cuban ministry of culture, in which the learned strokes of El Greco or the accurate lines with vibrant expression of Goya are prominent.

In the evening, which presents itself warm and cloudless, the appointment with the leader, second head of government of western Europe to visit the first socialist state in America, takes place in the reception room of Cubanacan. Offered by the Cuban Government and lasting for over 3 hours, prominent figures of Cuban arts and letters make an appearance besides government personalities from the Spanish delegation, members of the Political Bureau, the secretariat and the councils of state and government. Suarez leaves with his hosts, and according to those close to him "he feels at ease, as if at home . . ."

Mr Adolfo Suarez Gonzalez' second and last day in Cuba assumes characteristics of, on the one hand, emotion, and on the other hand, haste. In the early hours of the morning both heads of government carry out a brief tour through Havana and the City of Havana where they visit some factories, giving special attention to cement manufacturing processes in Mariel. Meanwhile a heavily attended delegation of the 30,000 Spaniards residing in Cuba, according to imprecise figures, have met at the Cuban Institute for Friendship with Foreign Countries. As had been announced, the Iberian

prime minister will hold a meeting at this institution with men and women from the peninsula, representatives of the Spanish "rebelliousness and character," many of them located in Cuba since the beginning of the forties. At about noon the luminous explosions of flash bulbs and the intense light of spotlights give the first sign of the arrival of the guest at the ICAP. He is accompanied by Fidel who explains to René the impossibility of accompanying him on this occasion. "I leave him in the hands of René, director," concludes the leader of the revolution.

René Rodríguez Cruz, director of the institute, is in charge of the opening words: "It is not easy to welcome the descendants of those ancestors of our nationality without becoming very emotional." And right away he emphasizes that Spain had supplied us with the language we speak and had implanted the spirit of rebellion against outrages and injustices and had "filled our heart with courage and vigor, nourished our culture and developed our internationalist humanitarian virtues."

We remember, said the director of ICAP, that in our most difficult moment Spain defied imperialism when the latter tried to strangle Cuba economically.

In answering Rodríguez' words, the Castilian Adolfo Suarez did so with words charged with emotion. You -- he said, addressing the Spaniards present there -- are the symbol of a Spanish way of life in America and particularly in this affectionate island of Cuba.

We wish -- he continued -- to build a co-existence which does not disregard tensions and problems, be they historical, social or structural. We are determined that everything should come up, that there should be discussion and negotiation, that formulas should be sought capable of harmonizing them, without weakness or subterfuge, in a restrained and strong collective agreement. We are not prepared to again have resentments, alienations and divisions take place. We want an open co-existence for all Spaniards, in peace and freedom.

The visit to Havana -- concluded the Spanish prime minister -- this beautiful monumental city, full of historical remembrances, with profound attachments for Cubans and Spaniards, is an unforgettable pleasure for me. Here, among you, after contemplating the indestructible contribution of our emigration in the past and now -- that which you yourselves have contributed -- I wish to congratulate myself on the close relationship that exists between the leaders of the revolution and the Spanish community on the island. It is a symbol of the loyalties which exist between our countries, beyond ideologies and interests, which defines not only our bilateral relations of the last decades, but which also reflects accurately that flow from the heart which nourishes a common blood.

Right afterward, the government leader talks with those present, greets the residents and refers to various current topics. In an aside with reporters he expresses how dear the links are that tie him to Cuba, in view of the fact that his father lived among the Cubans during an important period of his life and how he used to tell about his adventures on the Pearl of the Antilles.

Nevertheless, in spite of the fact that dozens of topics remain barely touched or on the tip of the tongue, the program still compels continually in these swift 36 hours and 45 minutes, in which the group of reporters and photographers, cameramen, guards and chauffeurs start to move in pursuit of the next appointment which, as on the previous day, is set in Old Havana, this time in the Museum of the City of Havana.

He arrives at the ancient Admirals' Palace, accompanied as at the previous time by Commander in Chief Fidel Castro. Just as had happened at the ICAP, Fidel himself takes charge of presenting the visitor to the director of the museum, Eusebio Leal. The latter invites Fidel to accompany the Spanish leader during the tour through the rooms of the cultural organization, but the leader of the revolution excuses himself since undeferrable commitments demand his presence.

Due to the skill and authority of the director of the Museum of the City of Havana, Eusebio Leal, the tour through the various points is put together in an hour in which the speaker, with his characteristic eloquence, traces a panorama which comprises the period from the discovery until the U.S. intervention in the Spanish-Cuban war. Besides the constituents of the Spanish government delegation, he is accompanied by Armando Hart Davalos, member of the Political Bureau, as well as Chancellor Isidoro Malmierca Peoli.

At the other end of town, in the aforementioned old residential zone, in former times the center of the most powerful aristocratic Cuban families, and today the zone of embassies and reception rooms, everything is in readiness for the signing of the treaty and for the most-awaited moment for the 50 or so national and foreign reporters who cover the visit: the press conference. With chronometric precision the director of protocol lays out the necessary items for the signing of the treaty, on Spain's part the obligation of the chancellor and on Cuba's part of Rodriguez Llompart. Thus when the official stamps are put on the documents containing a basic agreement on scientific-technical cooperation, in the presence of Comrade Fidel, chairman of the councils of state and government of the Cuban Republic, things give way to the toast as a corollary to the signature. The big moment had arrived for the most experienced reporters. Therefore, while the last moments of the [signing of the] treaty were taking place, the places destined for reporters were already all filled. Suddenly a voice puts the entire reporter-mechanism in motion: Fidel is talking over there, in the other room. Like a spring the reporters hurl themselves toward the spot in order to come to a halt halfway; Fidel is coming toward the conference room at the side of Prime Minister Suarez. Again they back away and some of them briefly dispute a privileged seat, as close as possible to both rulers. The leader of the revolution himself, as at other times, takes charge of breaking protocol: Doesn't it seem very cold like this. Why don't you come a little closer? The words of the leader of the revolution don't have to be repeated for the accredited press to "invade" the office like one man.

--Only 10 minutes, very short -- says Fidel

Answering about Cuban policy in Africa, Fidel explains in detail that it is "a policy of support to liberation movements in Africa, a disinterested policy. And, of course, a policy which we carry out by virtue of our close and solid relations with the peoples of Africa. We don't discuss these problems with the United States nor with anyone. The technical assistance we have offered to Africa depends on the sovereign prerogatives of the peoples of Africa and Cuba."

--Why don't you summarize the presence of our president in your country?-- asks a Spanish correspondent, with his characteristic accent.

I can summarize it by saying that it has been an historical visit. For the first time the head of the Spanish Government, since the hard and bloody years of the struggle for independence. We were awaiting this visit with great happiness. It is a great honor for Cuba and if you want me to summarize it, I would say that it is a victorious visit of the Spanish prime minister.

Are there any practical results, Mr Chairman?

In all respects. The problems between Spain and us were not great, that is to say we didn't have any special quarrel. In the first place we have followed with much interest Spain's progress in the last years. I believe that it was a difficult time for Spain; and my evaluation is that both the effort of King Juan Carlos, as well as the effort of the Spanish prime minister, Adolfo Suarez, have truly been very meritorious. And we could call the results outstanding. You may ask why countries like Cuba, the non-aligned countries and the countries of the third world concern ourselves with Spanish politics. I would say that Spanish politics is of great interest to the countries of the third world because we have the strongest hope of seeing Spain as a state of the world community which is absolutely neutral and a friend, a friend of the third world countries. We are interested in a European state which is developing, which is industrializing, which is creating important technologies for our countries.

Expanding on the topic, the chairman of the councils of state and Cuban Government explained that in the period before the new government, because of profound historical and ideological differences, relations with Spain also had proven to be difficult. "We will never forget that in the most difficult days of the United States blockade, the Spanish Government resisted the strong pressures of the United States Government on it to join the blockade. Spain did not join the blockade and traded with us in spite of the differences of political systems. And this we will always recognize. Now even more, in the new Spain, in the new circumstances, the situation and conditions are more favorable for the development of our relations. So that a few pending problems have been solved in an easy manner. There was the question of compensations. This problem has been completely solved because of the visit of the Spanish prime minister to Cuba. We listened to his concerns, his interests; and we have looked for a

satisfactory solution to the question of compensations. There are some problems connected with families of double nationality; the interest of a few dozen family cores in traveling to Spain and that also has been resolved in a satisfactory manner.

Answering a question on the personal impression of the leader of the revolution of his guest, Fidel replied:

To be frank, I had information on his virtues: I did not have information on his defects and I have not been able to notice any. He seems to me a very capable man; I am sorry he is present, because these things are better said when the person one refers to is not present. I would say a brilliant man. He has written a very important page of Spanish history. The unknown factor for us -- and for the whole world -- was what is going to happen to Spain, what will take place; and we are seeing what is happening; this difficult period, extremely difficult period, has been resolved in a brilliant and progressive manner. At the beginning of the revolution when we received a visitor we were in general much younger and the visitors were old, now the roles have been changed around; now the visitors are much younger and we are much older and we do not think ourselves wiser because of that; but we have the advantage of having lived the two stages; that of having been very young in power and that of having lived a number of years and of being a little more mature. Because of this we are perhaps in a situation to be able to understand young men and power. And youth is always accompanied by enthusiasm and not always by wisdom. But we could say that in this case of Spain youth has been accompanied by wisdom. And we admire that, naturally.

On the character of the exchange between the two rulers, the chief commander elaborated:

"We got along perfectly well, starting out from mutual respect, mutual understanding. We really have lots of hope. I believe that Spain is in a privileged situation. And perhaps it is the European country which can best develop its relations with the rest of the world; with Latin America, for obvious reasons, with the third world in general, with the socialist countries and the relations it has with the industrialized world. It seems to me that is a privileged position which currently practically no other country of western Europe occupies.

Right afterward the Spanish prime minister takes the floor to announce that "I have had the honor to invite Fidel Castro to visit our country on behalf of his majesty the king and of the Spanish Government. Chairman Castro has accepted the invitation and only the dates remain to be set."

Another reporter from the peninsula asks Fidel about the possible significance of his visit to the fatherland of Cervantes.

In the first place it has special significance because my father was Galician and, naturally, like all Galicians, he used to remember his country,

Spain, and his region, Galicia. He used to tell a lot of things about his land; one could say that since the time I was a little boy I yearned to know that land, know that country, and therefore in the first place it has a sentimental connotation; in the second place it has a political connotation; it expresses the reflection of the magnificent level of relations of Cuba with Spain. And I hope that the trip will help the development of those relations.

To a question to the Spanish ruler the latter replies:

I want to render a tribute of gratitude and admiration to political ability, to the Spanish ancestry, because one notes in all its manifestations and in its profound desire and profound love that it is bent on the relations between Spain and Cuba being an example of brotherhood, friendship, solidarity, independent of the political ideologies each of us may have. I reaffirm my special gratitude not only to Fidel Castro but also to all the leaders and in a special way to the Cuban people to whom I am sending a brotherly embrace from here. I should like to once more express my personal gratitude, putting emphasis on sincerity, for the treatment received from Fidel Castro and from the Cuban people and also to express the profound desire of the Spanish Government to constantly maintain on a high level the relations between Spain and Cuba and to collaborate in expansion of peace and justice in the world which is so much in need of it.

The first mists of the night start to spread over the capital of socialist Cuba and the next to last appointment takes the Spanish delegation to the private residence of the ambassador, Mr Enrique Suarez de Puga. Fidel arrives in evening dress. He makes a few jokes, to which the head of the Iberian Government responded elegantly with that characteristic seal of Spanish ingenuity. Right there, in a brief aside with the press, Fidel excuses himself for not being able to help take leave of his visitor at the airport and supplies the first results of a piece of news which within a few hours inundates the world with the characteristic jingling of cablegram agencies. I can't see him off, he says, because I will shortly leave to fulfill an invitation in Ethiopia.

This reporter, who unsuccessfully had been looking for an opportunity to talk briefly with the Spanish leader, finally attains his goal. Through the mediation of Ambassador Suarez de Puga he has access to a sparkling, flashing exchange with the peninsular ruler. The reporter explains that he represents the second oldest Spanish language publication and Suarez agrees to sign a greeting to the readers of this weekly.

From here to the airport. At the moment of arrival of the press, who for obvious reasons must be at the location of the events well in advance, the aircraft which conducts the leader of the Cuban revolution toward the Ethiopian sister starts to ascend under a sky of beautiful sparkling stars.

It is a little after midnight when the invited ruler makes his appearance in the reception room of the Havana airport. He is accompanied by Raul Castro.

Warm handshakes, embraces, smiles, propositions and the last exchange of impressions. They are already on the runway. They are approaching the aircraft of the Spanish Air Force. Raul unites in a strong embrace with the visitor.

Adolfo Suarez, prime minister of Spain, starts to go up the stairs. He stops at the top and turns around. It is 12:45 am. He raises a hand and his face once again reveals his large smile, characteristic of keeping back emotions or expressing his joy or abundance. From below the second secretary of the Communist Party of Cuba concludes: Mr Prime Minister, it is an historic visit: for the first time in half a millennium a Spanish ruler has visited us.

[Handwritten insert p 50]

For the readers of the periodical BOHEMIA, respectfully, Adolfo Suarez.

Quebec Friendship Meeting

Havana GRANMA in Spanish 27 Sep 78 p 5

[Text] Jorge Gallardo, deputy director of the Cuban Institute for Friendship with Foreign Countries is making a visit to Canada on the occasion of the creation of the "Carrefour de l'Amitié Quebec-Cuba" [Quebec-Cuba Crossroads of Friendship] (Friendship Meeting). Invited by the organizing committee of this institution, Gallardo will hold meetings with various non-governmental institutions among which are the trade unions, the association of agricultural producers and religious organizations which have friendly relations with the Cuban people. According to its organizers, the "Carrefour de l'Amitié Quebec-Cuba" originated upon the return of the Quebec delegation which attended the 11th World Festival of Youth and Students. (PL)

Peruvian PSR Backs Cuban Policies

Havana GRANMA in Spanish 27 Sep 78 p 5

[Report: "First PSR Congress of Peru Approves Motion of Solidarity with Cuba and Its Policy"]

[Text] Lima, 26 Sep (PL). The first congress of the Socialist Revolutionary Party (PSR) passed by acclamation a motion of full solidarity with Cuba and its consistent policy of international solidarity.

The meeting, which came to a close in the city of Vica -- 300 kilometers south of this capital -- saluted the Cuban revolution for the example it signifies for the peoples of the continent.

The attending delegates further showed their support of the solidary attitude of Cuba toward the African people, in particular Angola and Ethiopia, countries which are experiencing important revolutionary processes.

The congress, which elected General Leonidas Rodriguez president and physician Antonio Meza Cuadra secretary, received, amidst acclamations, a message of greeting from the Cuban Communist Party.

Upon reading the greeting, the 200 delegates from the 14 regional committees of the PSR stood up and all together, amidst applause, joined in the slogan "Cuba Yes, Yankees No."

In international subject matter the congress established that the fundamental enemy of the people is United States imperialism, against whose domination the upward movement of national liberation in the world is directed.

He rated the foreign policy of the socialist bloc countries positive and pointed out that this constitutes a guarantee of world peace and powerful backing in the struggle of liberation of the people.

In the continental sphere, it established that the peoples of Latin America, starting from their historic experience of common struggle against colonial power in the past century, must fight unitedly to break imperialist domination.

The congress approved specific motions of solidarity with the Sandinist Front for the Liberation of Nicaragua (FSLN), with the Panamanian struggle for sovereignty over the Canal, with the Puerto Rican independence cause and with the armed struggle of the Western Saharan people against foreign control.

Further, it adopted an agreement of condemnation of the regimes of Chile, Uruguay and Argentine, and called the so-called policy of human rights of the United States Government false and merely verbal.

Medical Brigade Returns from Guiana

Havana GRANMA in Spanish 21 Sep 78 p 7

[Text] An internationalist Cuban medical brigade which worked in Guiana for 18 months, returned to Cuba yesterday, after numerous expressions of love and admiration from the Guianese people. The 18 Cuban professionals are headed by the pediatrician Eliseo Acosta, who emphasized the revolutionary attitude of his companions. The retiring brigade was relieved last month by 22 physicians. (PL)

Fernandez Mell in Czechoslovakia

Havana GRANMA in Spanish 16 Sep 78 p 7

[Text] Cuba In The World

Oscar Fernandez Mell, member of the Central Committee of the Communist Party of Cuba and chairman of the Provincial People's Assembly of the City of Havana described as very positive the meetings held in Czechoslovakia with a view to exchanging experiences on developing the capitals of the two countries.

Japanese-Cuban Medical Contacts

Havana GRANMA in Spanish 16 Sep 78 p 7

[Text] Professor Alberto Hernandez Canero of the University of Havana arrived in Tokyo from Cuba to participate in the Eighth World Congress of Cardiology, which will be held in the Japanese capital from the 17th to the 23rd.

Human Rights Congress in Vienna

Havana GRANMA in Spanish 16 Sep 78 p 7

[Text] The predominant moral in capitalist society is that of the enrichment of a few at the expense of the work, ruin and misery of the large laboring majorities, affirmed Dr Gaspar Jorge Garcia Gallo in the plenary session of the International Congress on the Teaching of Human Rights which is in session in Vienna. (PL)

Romanian Solar Energy Meeting

Havana GRANMA in Spanish 18 Sep 78 p 3

[Text] The deputy chairman of the Academy of Sciences of Cuba, Jose Alshuler, is in Romania at the head of the Cuban delegation which is participating in a meeting of the Council of Mutual Economic Aid on solar energy.

Cooperation from Hungary

Havana GRANMA in Spanish 18 Sep 78 p 3

[Text] The chairman of the Provincial People's Assembly of the City of Havana, Oscar Fernandez Mell, arrived in Budapest, invited by the chairman of the council of the Hungarian capital, in order to learn about the development plans and system of commerce and traffic in this city.

Economic Talks in Romania

Havana GRANMA in Spanish 18 Sep 78 p 3

[Text] A delegation from the Central Planning Board of Cuba, headed by its deputy chairman, Manuel Garcia, is meeting in Budapest to discuss coordination of economic plans with Romania.

Cuba Criticized at Nonaligned Summit

Lima EQUIS X in Spanish 17-23 Aug 78 pp 26-27

[Report by Elias Moreno: "Nonaligned Nations; Criticism of Cuba"]

[Text] In the recent "summit" of the non-aligned nations Cuban interventionism in Africa was severely criticized.

The ministers of foreign affairs of the non-aligned countries concluded in Belgrade the most difficult conference of their movement.

For six days there were polemics, tough exchanges of accusations and reciprocal requests for expulsion. On more than one occasion the conference seemed to be on the point of breaking down. In the end compromise prevailed, in accordance with the tradition of the movement, but there was no reconciliation.

The non-aligned nations continue to be deeply divided and many of the delegates were asking themselves what will happen to their movement when the leadership of a man with the prestige of Marshall Tito is lacking.

The meeting ended in a minor key.

After the documents had been approved, which took place behind closed doors in order not to supply repercussions to the last polemics, a quick public session took place in which representatives from the four continents -- Sudan for Africa, North Korea for Asia, Panama for Latin America, Cyprus for Europe -- and the Yugoslav minister of foreign affairs, Josip Vrhovec, spoke.

They were allocutions dictated by the occasion, without any political importance. The main thing the 86 non-aligned nations had to say in Belgrade had already been said in the days before and it is from those speeches, more than from the generic and in many aspects discounted final resolution, that a balance for the conference should emanate.

The summit foreseen in Cuba for September next year was confirmed in spite of the stand of many countries which requested transfer or postponement, though rather ambiguously formulated. The chairman of the conference noted the numerous reservations expressed on this point and invited the countries which had formulated them to do so in writing, in order for them to be accepted in the minutes of the meeting.

During the conference the offensive against Cuba was conducted by Somalia and Zaire, directly threatened by the presence in Africa of Fidel Castro's soldiers. But many other Arab and African countries supported it.

Egypt, Morocco, Senegal, Ivory Coast, Nigeria, Gabon, Singapore, Sri Lanka and Indonesia questioned -- in more or less polemic terms -- the Cuban intervention in Africa and made note of the need for an effective equidistant policy.

The theory of a "natural alliance" between non-alignment and communism had an analogous reply. Various speakers criticized the Soviet Union, even openly, accusing it of conducting a neo-colonialist policy in the third world.

That would have been unthinkable a few years ago, when the arrows of the non-aligned nations were all and exclusively aimed at United States imperialism.

In the final document reference is thus made to the necessity of fighting against any form of "hegemony" and although the Cubans hurried to specify that for them only China is hegemonic, in common language this term designates the negative aspects of Soviet foreign policy.

In summary, the non-aligned nations reconfirmed in Belgrade the fact that they want to remain together because their strength comes from unity. They practically "condemned" themselves to be united. But the political geography of the movement left the conference profoundly changed. Its point of equilibrium perhaps may already be individualized in the position of Yugoslavia, which is a progressive country but without any inclination whatsoever of approaching the Soviet bloc.

Cuba's role was diminished and the conference addressed a severe warning to it. At least 15 countries said that if Cuba did not change direction, they would not go to Havana next year. Others implied it. Fidel Castro has a year ahead of him; if he does not want the summit meeting in his capital to be ignored -- or its status disqualified -- by a good half of the members of the movement.

PHOTO CAPTIONS

1. p 26. The majority of the third world wants an authentic non-alignment with some bloc or big power.
2. p 26. The Soviet Union was called neo-colonialist.
3. p 26. Cuba was called a "mercenary" of the Soviet Union.

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CUBA

MEDIA EXPLOITS VARIOUS THEMES IN PURSUIT OF POLICY AIMS

Agrarian Reform

Havana BOHEMIA in Spanish 6 Oct 78 pp 64-65, 75

[Interview with Dr Saleh Mohamed Zeray, politburo member of the Democratic Party of Afghanistan and minister of agriculture and land reform, by Hugo Rius: "Agrarian Reform Strategic Task of the Afghan Revolution"; date and place of the interview not given; dashes indicate interviewee speaking]

[Text] Dr Saleh Mohamed Zeray, politburo member of the Democratic Party of Afghanistan and minister of Agriculture and Land Reform, gives details and impressions on the tasks of the Afghan revolution and the Addis Ababa Conference in a conversation with BOHEMIA.

The revolution in Afghanistan was a frequent theme in speeches and conversations in the recently concluded Addis Ababa Solidarity Conference each time one wanted to illustrate the new changes and new times with facts.

The People's Democratic Party, headed by Dr Saleh Mohamed Zeray, member of Agriculture and Land Reform, was the delegation of that revolution, of its vanguard party. Plain and active in appearance, a man from the countryside, one would say, he made it easier for us to approach him during a recess in the plenary sessions. And he was specific in what seemed more like an agreeable conversation than an interview.

He began by referring to the attempts of imperialism and the opposition against the revolution in Afghanistan.

--Our first task now is to support and defend the revolutionary power in the face of imperialism and opposition, and against all the inherent dangers and threats to any revolutionary process. As you know, we recently discovered the existence of a conspiracy to overthrow our government, a conspiracy that was orchestrated by capitalist powers and reactionary countries of the region. They even went so far as to conspire within some circles of our government, but our party had discovered everything some time ago.

--Our party is responsive to the interests of the people, the People's Democratic Party, under the leadership of Comrade Taraki, a vanguard party of the working class, with strong and solid bases in all parts of the country. Such a party cannot be stopped, and there is no force anywhere in the world that can destroy the Democratic Republic of Afghanistan.

The interviewee insisted on explaining a characteristic of the revolution of Afghanistan:

--This is a unique revolution, which cannot be classified very easily, as in the case of those that we call bourgeois, democratic, popular, socialist, etc. In our case there is a workers' class party that has the power to face and carry out historical democratic tasks. One of those tasks is the solution of the agrarian problem: others are nationalization of the principal means of production, foreign trade, and industrialization of the country.

After this brief overall view presented by the politburo member of the Afghan People's Democratic Party, we wanted the minister of Agriculture to give answers to why and how.

--The situation of the revolution, as a result of the feudal tenancy structure of land in Afghanistan, is as follows: the rural workers who had 1 to 4 hectares constituted 83 percent of the proprietors and had only 5 percent of all the cultivable land. Twelve percent of the proprietors had 5 to 10 hectares, which included 20 percent of the land. But the feudal owners, who constituted a minority group, controlled 45 percent of all the land.

--That means that we have a poor share in the means of production in a country where 80 percent of the national product is derived from the land--a production in which the rural worker is left with barely 20 percent of his production, after turning over the major part in taxes for land, for water, and the feudal authority.

--These circumstances must be changed, necessarily through a revolution that implements a democratic agrarian reform that favors the urban mass and guarantees its active participation in the political and social life.

--The agrarian reform is our most strategic problem, when compared with other problems in Afghanistan. But in approaching it, we cannot omit other tactical considerations. The aspiration of small farmers to have land has intensified their struggle against the feudal owners and we must support the farmers.

--The rural community needs financial support to obtain seeds, animals, implements, etc., and to satisfy other needs. We are trying to satisfy these needs by organizing those small farmers into service cooperatives.

It is not a question of granting material aid for personal use, but for an ensemble of rural workers organized into cooperatives. The Agricultural Bank (Banco Agrícola) was established for this purpose; it operates and functions through the cooperatives.

--We also give great importance to the organization of rural workers on cooperative farms who combine their lands according to the regulations established by the Agrarian Reform Law.

There was a call for resumption of the plenary session of the International Conference for Solidarity With the African and Arab Peoples. We saw that there was not much more time to continue to probe our subject. We asked Dr Zeray about his presence in the forum and his impressions of it.

--I must confess that this conference has been a new and important thing for me because, as you know, we had been practically isolated from the world; little was known of us; and now we have seen an interest awakened here by our country and its revolutionary process. We feel that we are a part of the revolutionary world, which includes the socialist countries, the workers' movement, and the national liberation movement. We have found that this conference can play a great role in the struggle against imperialism, zionism, apartheid, and racial discrimination.

--I should also like to express my complete agreement with, and satisfaction for, the declarations made by Comrade Fidel, and for his words of solidarity with us, which help us so much. As far back as the beginning of the Cuban Revolution in 1959, but especially in 1961 at the time of the defeat of the imperialist aggression, our young people and intellectuals began to find in Cuba a source of encouragement and inspiration.

--Proof of the fellow-feeling of our people and our vanguard for the Cuban Revolution is shown by the fact that the first delegation from revolutionary Afghanistan to go abroad, presided over by Minister of Foreign Affairs Hafizullah Amin, went to Cuba. I hope, and I am certain that steps will be taken very soon, that we may have a Cuban embassy in our country, and that we will be able to have frequent and greater exchanges of delegations.

Zimbabwe Front Official Interviewed

Havana BOHEMIA in Spanish 6 Oct 78 pp 64-65

[Interview with Robert Mugabe, cochairman of the Zimbabwe Patriotic Front, by BOHEMIA: "Two Weapons in Zimbabwe's Struggle"; interview took place in the protocol room of the Bolas airport, in Addis Ababa; date not given]

[Text] The Zimbabwe leader was interviewed by BOHEMIA at the conclusion of the Addis Ababa Conference for Solidarity With the African and Arab Peoples who are fighting against imperialism and the opposition. Mugabe

was one of the speakers at the great public function in which the Ethiopian people manifested their support of the Final Declaration and the resolutions of the meeting.

BOHEMIA met with Mugabe in the protocol room of the Bolas airport, while a large group of young college students from his country who are studying in Addis Ababa waited to see him off. He answered the reporter's questions in quick, low tones.

[Question] What is the meaning of Ian Simth's decision to extend obligatory military service to the African people in the war that is being waged in Zimbabwe?

[Answer] The extension of military service to the African peoples is a consequence of the great scope of the military operations for liberation in our country, in practically 80 percent of the land, in the rural areas where the immense majority of our people is concentrated, approximately six of the seven million inhabitants.

Among the most significant advances in our fight we can enumerate the destruction of nine of the most important enemy military bases and some of their civil public administration buildings and police premises, and the liquidation of the majority of the concentration camps, the so-called "protected hamlets," within which about half a million of our rural population had been enclosed, as if they were cattle. We have caused losses to the enemy's economy, who have been obliged to close many enterprises. We have paralyzed the railroad and road communications systems. More than 50 percent of the plantations established by Europeans are now deserted, occasioning considerable losses, admitted by the racist regime, itself. Each week there is a report of the shooting down of some enemy airplane, and since the beginning of the year hundreds of casualties have been inflicted on the racist troops, along with the capture of substantial quantities of weapons and munitions.

To the great joy of the masses free zones have been established, which have been converted into revolutionary bases administered by the people, themselves, in which projects are carried out having to do with production, construction, education, and health. From these bases we are proceeding to a new stage in our war, that of isolating the enemy in industrialized urban centers.

In the face of this situation the imperialists are trying to "Africanize" the Zimbabwe struggle through the creation of an internal force integrated with Africans, similar to the plan used in Vietnam to create a reactionary regime like Thieu's to oppose the revolutionary, progressive forces. But if they failed in "Vietnamizing" the conflict in Vietnam, how can they be successful in their intent to "Zimbabwenize" the conflict in Zimbabwe?

[Question] Is South Africa continuing to give military support to Ian Smith's government?

[Answer] Yes. South Africa is continuing to give military support to Rhodesia in its role of strategic gendarme of imperialism in this region. It is principally through South Africa that military aid from the United States, England, France, and West Germany reaches Smith. All of these countries are worried as they witness the process of the disappearance of the South African zone of influence, and they are making desperate efforts to try to use Rhodesia as a spearhead against the revolution. They also realize that an independent Zimbabwe opens a path for revolution in South Africa and the fall of the South African racist government.

South Africa has been supplying Rhodesia with mirage planes, which in many cases are manned by South Africans, in order to attack us, the countries of the Front Line, like Mozambique, Zambia, Botswana, and the SWAPO, of Namibia, and the civilian people of Angola. Also mercenaries come from Great Britain, from the United States, veterans of the Vietnam war, from France, Belgium, West Germany, Australia, and Canada to reinforce the Rhodesian troops.

However, this does not worry us, because we are counting on very effective weapons. We are counting especially on two weapons that we combine in our fight: one, the fact that the masses are behind us; and two, the support of socialist countries, from progressive forces throughout the world, from Africa, and especially the countries of the Front. It is the combination of the unity of our people in a majority front and the solidarity that has been cheerfully given to us by our brothers in revolutionary and progressive forces, as has just been shown in this solidarity meeting that took place in Addis Ababa.

Our enemies can go to Western countries in search of backing, but history has proved that all reactionary forces combined have not been able to conquer the people.

[Question] How long do you think the so-called transition government created by Ian Smith this past March will last?

[Answer] The reactionary Smith-Muzorewa-Sithole-Chirau association is virtually in a state of collapse, while the national liberation forces are constantly increasing; and with each new victory they are placing the enemy in a blind alley. This government is in a desperate situation, and therefore has announced the compulsory incorporation of Africans in army corps under the pretext of defending the March agreements. The morale of the so-called transition government is very low, and even Smith, himself, admits that the agreement has entered a crisis stage.

[Question] How do you judge the present development of the Anglo-American plan and the actuation of their patrons?

[Answer] I believe that Great Britain and the United States are playing a subtle dual strategy. Openly, it seems that they are seriously negotiating with the Patriotic Front on the basis of the 1 September 1977 proposals, while on the other hand, undercover, they are promoting an internal agreement to consolidate the illegal, traitorous government of the collaborationist puppets--Muzorewa, Sithole, and Chirau.

At the same time, efforts are being made to divide and crush the Patriotic Front by means of separate talks with their integral organizations. Nevertheless, our liberation forces, guided by a correct course based on solid principles, have rejected those endeavors.

[Question] Are you satisfied with the results of the International Conference for Solidarity With the African and Arab Peoples?

[Answer] We look upon this conference as something that has had a tremendous impact on our situation, and I believe that a great part of its success was due to the participation of those two great leaders--Fidel Castro and Haile-Mariam MENGISTU--who gave great impetus to this meeting, injected it with vigor and enthusiasm, and filled us with faith in victory.

I wish to express my most absolute agreement with Comrade Fidel's declarations, his analysis of imperialism and the opposition, and his words of approbation and support for our struggle and the struggle of the Arab peoples. We are convinced that his speech will have a great influence on the international community.

In conclusion, I believe that this conference marks a crucial stage for solidarity with the liberation movement in our African countries and in the Arab world.

'NOVOSTI' Attack on PRC

Havana BOHEMIA in Spanish 6 Oct 78 p 75

[Article by P. Fedoseev, Academician, PARTINAYA ZHIZN, APN: "People's Republic of China; Chovinism of Great Power"]

[Text] The triumph of the anti-imperialist revolution in China was one of the most important events that occurred in the era that followed the second world war. The Chinese people saw a path to free national progress opened up to them. The first years were marked with considerable successes, reaped by the laboring class and all Chinese workers. But Mao Tse Tung did not

want the country to head decidedly toward socialist development.

In the struggle that was going on within the Chinese Communist Party, the two lines--the proletarian, internationalist and nationalist--the latter asserted itself resolutely as the supporter of the ideology of the petit bourgeoisie and the one that hindered the principal role of the working class.

The harmful zigzagging in the development of the PRC [People's Republic of China] has once more confirmed the truth that without a party that is consistently revolutionary, internationalist, and faithful to the cause of communism the working class cannot fulfill its historical mission; cannot bring together and strengthen all the workers in the fight for the triumph of socialism. The Chinese working class has been, and is, the object of the most shameful demagoguery of the maoist leadership.

With the maintenance of militarist traditions, the maoists placed special hopes on the army and the military circles placed the Mao Tse Tung group in power and are even now supporting the maoist government. On the other hand, they are cleverly exploiting the backwardness and the patriarchal environment in which the Chinese rural people vegetate, favoring their conservative inclination, their primitive tendencies to equalitarianism and a strictly national vision.

The Chinese bourgeoisie also tacitly supports the maoist government. Mao Tse Tung managed to establish the theoretical basis for that alliance with the bourgeoisie in advance. The maoist concept of the "new democracy," according to which the bourgeoisie must participate in the "dictatorship of the people," was called upon to demonstrate the "special character" of the Chinese bourgeoisie, to camouflage its true class aspect. Also the maoist plans, oriented toward strengthening the pillars of the government and carrying out its chauvinist-social programs, dedicate a special place to the Chinese bourgeoisie residing outside the country.

In the fifth legislature of the National Assembly of the People's Representatives (ANRP) that took place this year, the maoist leadership declared, and included in the constitution that was approved at that time, the aim of strengthening and enlarging the "Single Revolutionary Front" that groups the urban people, workers, intellectuals, bourgeoisie--the national and the emigrant--and their parties. It did not present specific demands to intensify the principal role of the proletariat.

The class essence of the maoist ideology has been revealed recently, particularly in the foreign policy of the PRC. Angry attacks against the Soviet Union and the socialist community in general, and against the policy and the tactics of all progressive and peace loving forces no longer leave any doubt as to which world socio-political forces maoist foreign affairs are being oriented.

The hegemonic criteria are recognized in the schismatic maneuvers that the maoist leaders practice with the countries that are being developed. Their policy in Africa, Asia, and Latin America provides support to the most reactionary governments and organizations, provided that they accept the Peking bloc. An obvious example of that policy is the one adopted with respect to the fascist junta in Chile and to the national-liberator struggle of the Angolan people.

The tragic events that occurred in Indochina in recent months to a great extent have been a consequence of the instigator policy applied by Peking. The incitement of Kampuchea to the conflict with Vietnam and the provoker actions of China against the Socialist Republic of Vietnam rouse angry condemnation on the part of all social sectors everywhere.

The vernturesomeness, the maneuvers, and the political hegemony in the international sphere are a continuation of the maoist anti-socialist and anti-proletarian course in internal affairs. Over a period of many years there has been a re-grouping at the top in China, which reflects an extreme instability in the internal political situation.

Under the pressure of the critical phenomena and the failures in the life of the Chinese society, the present leadership of this Asian country "is correcting" and "rectifying" the maoist theory and practice. Measures are being adopted to liquidate the great harm caused to the national economy, to science, and to education by the maoist "experiments" during the "great leap forward" and "the great cultural revolution." But this would not change the class essence of Maoism as an anti-proletarian and anti-socialist current.

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CENTRAL PLANNING BOARD CHAIRMAN ADMITS ECONOMIC PROBLEMS

Long-Term Economic Prospects Discussed

Havana GRANMA in Spanish 17 Oct 78 p 1

[Text] Commander in Chief Fidel Castro, first secretary of our party and chairman of the Council of State and the government, officiated at the closing event of the National Preparatory Seminar For the preparation of Studies For Future Economic and Social Development Strategy to the Year 2000 held at the Carlos Marx Theater of this capital.

The final speech of the event was made by Humberto Perez, chairman of the Central Planning Board [JUCEPLAN] and central committee member, who referred, among other important things, to the need for long-range planning because every day the structure of the economy becomes more complicated, interbranch productive relations increase and the international division of labor intensifies.

In his speech he stated the assurance that all those who in one way or another take part in the studies of development strategy to the year 2000, will multiply their efforts to provide Fidel, the party and the revolution with this program which will be a banner for working with enthusiasm and a clear vision of the future.

The closing of the national seminar was attended by the 44 work committees which prepared the Development Strategy to the Year 2000, leaders, officials and specialists of the Central State Administration Organs, Provincial People's Government Organs and from the political and mass organizations, students and teachers of the Havana University School of Economy and from the administration and commerce schools of the province.

Also occupying the chair of the event were Ramiro Valdes, Guillermo Garcia, Carlos Rafael Rodriguez, Osvaldo Dorticos, Armando Hart and Jose R. Machado Ventura, all members of the political bureau; Antonio Perez Herrero, member of the secretariat; Osmany Cienfuegos, secretary of the Council of Ministers and its executive committee; Joel Domench and Jose R. Fernandez, deputy chairmen of the Council of Ministers; members of the Council of State and other members of the central committee; ministers of the government and leaders of political and mass organizations.

Text of JUCEPLAN Chairman's Speech

Havana GRANMA in Spanish 18 Oct 78 p 2

[Speech by Humberto Perez, Minister-Chairman of the Central Planning Board and member of the Communist Party of Cuba Central Committee at the closing event of the National Preparatory Seminar for the Preparation of Studies for Future Economic and Social Development Strategy to the Year 2000, held at the Carlos Marx Theater in Havana on 16 October 1978 "Year of the Eleventh Festival"]

[Text] Comrades: In the program platform approved by the First Congress of our Party, the following is stated: "The Party shall promote--through the various agencies of the state--a work aimed at defining the general lines of long-range development, which will allow a specific orientation for the drafting of five-year plans. The long-range development strategy of the economy will give a scientific basis to the general objectives which must be reached in keeping with various alternatives, for which purpose there will be prepared, with a perspective that is longer than that of the 5-year plans, development forecasts of the development of science and technology, demography--including a skilled work force--the external sector, natural resources and their use, and the prices and relationships of distribution and others."

And the program platform concludes: "Economic development strategy shall be an instrument of extraordinary value in improving the quality of planning work."

In compliance with this mission of the party congress contained in its most important directing document, the Central Planning Board [JUCEPLAN] worked during the entire year of 1977, in what is the first phase within the methodology of preparing a development strategy, reconstructing the history of the main indicators of the Cuban economy and making a statistical-economic analysis of them for a period which covers the 16 years from 1960 to 1975 with a view to obtaining a suitable information base for making diagnostic studies of our economy as the first step in drafting the general concepts of our economic development at long range.

This work, published at the end of last year in two thick volumes of almost 800 pages each, was submitted for the evaluation of two specialists from CEMA, whose presence was requested for this purpose. They concluded that the aim of the work method is based on the methodological instruction for statistics adopted in CEMA and that it is a good foundation for preparing the exploratory long-range forecasts and plans.

Work has also been done on a preliminary version of the overall forecast of the macroeconomic indicators and on the main objectives of future development which will allow an initial framework for the subsequent work of analysis and forecasts in specific areas and problems, work which shall be initiated now.

More recently, in a joint resolution of the political bureau and central committee of our party and the executive committee of the Council of Ministers, it was decided to begin immediately with the work, which in close collaboration must be performed by all organisms and organizations of the country for the drafting of the future economic and social development strategy to the year 2000, ordering the immediate creation of the various committees required for that purpose.

Today, with this event, we close the national seminar which has been held since the 11th, to explain and discuss the methodological guidelines, procedures and schedules which must rule this work, with the members of the 44 committees created, all together 1,500 comrade leaders and specialists of the state administration organs, the Provincial People's Government Organs and from the political and mass organizations.

We are not going to spend our time, however, in our brief conclusions, on questions which have been exhaustively examined by you in these days, but we do believe that the time is right for examining and explaining, with the greatest clarity possible, what it is that we specifically propose with this work, the reason it is necessary--and we could say that its accomplishment is indispensable--as well as to define the scope of this task, the form in which we must work to achieve its fulfillment, and, together with the honor that it implies, the responsibility all of us comrades contract, who in one way or another have the direct task of carrying out these instructions of higher organs of our party and government.

During practically 15 years, planning activity was limited to the preparation of yearly plans in our country; at this time we are training ourselves in the execution of our first attempt at a 5-year plan, prepared with the limitations and deficiencies which every pioneer attempt has; and we are already taking the first steps in the preparation of the second 5-year plan.

But we have lacked, and we still lack, a basic element which allows the outlining and putting together of medium and short-range plans in such a way that they become consecutive and interrelated phases in the solution of the decisions we adopt, and in achieving the goals we set for ourselves in the construction of socialism.

The very nature of the greater part of the problems we must resolve so that the remodeling of our economic structures takes place and we arrive at the development levels demanded by socialism, exceeds the limits of the possibilities, not only of the annual plans, but even of the 5-year plans. The overall tasks to be performed and the objectives we hope to attain demand more than 1, 3 and 5 years, and in many cases require more than 10 or 15 years.

Comrade Fidel, speaking before the last National Assembly, declared that all the needs posed by the delegates with respect to shortages of various resources had a name and an economic base: the underdevelopment we still suffer, and he emphasized that all those objective problems, those needs, could only be resolved by development.

In the program platform it is also stated that "The main and immediate program objective of the Cuban people is that of continuing to build socialism," and this means in first place, as the platform itself tells us, economic development: the construction of the technico-material base of socialism for which the mechanization of the basic production processes of the economic is required; the increase in productivity of labor; the establishment of a productive structure of the branches and sectors of the economy which will guarantee a high and stable rate of economic growth and insure its rapid and proportional development, as well as the implantation of industrial methods in the main areas of agricultural production.

In the 20 years that have passed, despite the extraordinary advances of our revolution, we have not reached the necessary average growth rate that will allow us to emerge from underdevelopment, nor have we managed to overcome the structural distortion we inherited from capitalism, and even in some aspects, as in the dependence of the external economy, this distortion has been accentuated by various factors which have come together for it, even though we must point out a certain recovery of those rates in the years of the present decade, and the beginning of a certain improvement in the indexes of our external economy after the First Party Congress.

Under the conditions of a socialist country, planning is the basic way, and an irreplaceable instrument for taking the economic policy which may have been traced by the party to the field of events.

The policy oriented by our party and Comrade Fidel, to which we referred before with respect to culminating the construction of socialism, creating its technico-material base, in the first place, and with it emerging from underdevelopment, cannot be successfully shaped in reality only through 5-year planning. It is necessary to employ long-range planning that will allow expressing the general orientations of economic, technical and social development with a greater perspective, establishing priorities for the solution of the most important problems and thus guaranteeing the execution in the various phases of the measures for fulfilling the economic policy adopted. On these bases the 5-year plans can foresee the solution to the economic and social tasks, which may emerge from future plans, and it will be possible to establish the tasks of the 5-year plan in the annual plans, taking into consideration the course of its accomplishment itself and the new exigencies presented by the practice of its execution.

The long-range plan is the only one which makes possible the creation of conditions for the accomplishment of the radical economic-social transformations required for insuring the development of our productive forces and for the modification of the distorted structure of our economy. It expresses the strategy to be followed in the development of the economy and it allows the drafting of a specific program of action for putting into practice the long-term economic policy established by the party.

The 5-year plan is a logical and necessary link of the long-term plan, just as the annual plan is a link of the 5-year plan. However, the annual plan is of an operational nature and is called upon to guarantee the necessary premises and conditions for the achievement of the objectives and tasks of the 5-year and long-range plans, taking into account the course of their execution itself and establishing the adaptations required in practice. In turn, the 5-year plans, on the basis of the long-range strategic plan, have a tactical nature and are called upon to specify and realize that strategic plan in shorter time periods, and correct the future development established as circumstances may advise.

The need for long-range planning is more and more unavoidable due to the fact that the structure of the economy becomes more complex, interbranch productive relations increase and the international division of labor intensifies. But in addition to this, only with long-range plans can the task of changing the proportions and the structure of production and resolving the great social problems be successfully confronted. Only with a perspective of more than 5 years, and in many cases several 5-year periods, is it possible to examine the results of the use of investments and the technical refurbishing of the branches, the development of new branches or sub-branches, the exploitation of new mineral deposits, the conservation and improvement of the environment, the development of an integral plan of transportation, an energy system, the necessary infrastructure, the modification of the territorial structure of the economy, as well as to plan the measures which will allow the elimination of the differences between rural and city living conditions, changing the means of distribution of material goods and services.

The results in the development of some crops such as citrus and even coffee, the time between the decisions to invest in them and the results obtained, exceeds the 5-year periods. Something similar happens in the development of cattle raising. Likewise, the training of a skilled labor force also requires long-range planning, particularly if we take into account the period needed for the training of the cadres of a higher level, as well as if we take into consideration the need to make investments in one direction or another to create the conditions of schools, teachers, laboratories, equipment and so forth which will allow the training of various specialities of medium and advanced levels.

Investments, undoubtedly, are a long-range category. The time of one cycle of complete investment, from the time the means are invested in the expansion of constructive capacities, from the time of the proposal of an investment, the technico-economic requirements established, passing through the drafting and approval of the plans, contracting of resources, execution of the supply function, construction and installation, and then until the results are obtained from a review of the capacity it generates, including the attainment of established norms--which are generally not attained--covers a period of more than 5 years and in some cases reaches as much as 7 to 10 years. More and more the advance of technologies and the growth of production scales causes the investment processes to become more prolonged. This means that the resources that are spent in a 5-year period

for the creation of new capacities only give results in the form of finished products at a time after the 5-year period and the decisions on the construction of one objective or the other only allows including in the balances of resources those productions that originate from them 10 to 15 years in the future. This alone is sufficient reason for planning to require a 15-year projection as a minimum.

In our case, the creation of the technico-material base of socialism and the objective of becoming a developed country, requires a strong investment process and, therefore, those objectives require long-range planning.

In turn, a country such as ours, small, without sufficient natural resources, without its own energy resources, whose domestic market does not offer a large enough size for certain productions, has to develop with an eye abroad, thinking of producing for export, thinking of integrating its economy with that of other socialist countries, primarily with the countries of CEMA and within this, particularly with the Soviet Union. And economic integration cannot be handled with short and medium-range plans. That is why the aims of multilateral integration within CEMA are accompanied by the development of Specific Long-Range Programs. Likewise, any intention of integration we may wish to develop bilaterally has to be planned in the long-term.

For all the reasons explained, in order to attain the objectives posed and to fulfill the agreements of the First Congress and the orientations of Comrade Fidel, we are forced to accomplish a future plan and maintain the 5-year and annual plans within the framework of that long-range planning. Lenin, with the vision of a genius declared in 1920: "When great plans calculated for many years appear, sceptics usually appear who say: 'How can we make calculations for many years, God grant that we can do what is needed now.' Comrades," said Lenin, "We must know how to merge one with the other, one cannot work without a plan calculated for a prolonged time."

For this purpose we propose to prepare our first future plan in a period of 5 years, with a first phase of 2 years in which our task shall be to put together a proposal for Development or General Concept on Development to the Year 2000 for submission to the consideration of the Second Party Congress in 1980, and once it has approved the Development Strategy it considers most suitable, we will undertake the task of specifically preparing a Long-Range Development Plan which we should complete by the year 1983 and on whose basis we can prepare our third 5-year plan for 1986-1990.

In the first phase up to 1980, we shall have the responsibility of proposing the definition of the basic directions of the development of our economy up to the year 2000, and in the second phase, after the Congress, that of putting together on this basis, the future long-range plan already prepared by the branches of the economy by provinces and by 5-year periods.

As of that moment, the aim is to be able to work always from that time on with a view to the future at a distance of 15 to 20 years as a minimum. Thus, while we are preparing the 1986-1990 5-year plan, we shall be working to extend the future plan to the year 2005 or 2010 in such a manner that we can prepare each 5-year plan within the framework of a future plan of 15 or 20 years.

In this first phase, the main task is the definition of the basic strategic objectives for economic and social development, the determination of social needs and what they consist of, the definition of the ways and means for satisfying them most effectively on the basis of the most progressive tendencies of development, and an evaluation of the possibilities and perspectives of the technical progress and the international division of labor.

Each of the sectors, branches, categories and territories will then be required to give a more uniform and complete view in the plan. In it should be structured the specific measures for the solution of problems in keeping with whatever is established by the strategy.

It is up to us now to work on that first phase pursuant to the methods, procedures and schedules examined during this seminar.

The committees, as a first step, should undertake the task of preparing the pertinent forecasts and analyses, which should be completed next February. As of that time, in work coordinated with the JUCEPLAN, the basic objectives of development shall be determined and the integral forecast will be made. On this basis, each committee must then work on preparing the programs of measures and insurance for the attainment of these objectives related with each of the problems under study; delivering their results at the beginning of 1980 so that we may then engage in the task of preparing, on the basis of these proposals and the various alternatives and variants, the specific proposal of development strategy which we shall submit for the consideration of the Second Party Congress.

We must study all the factors, make the necessary projections and forecasts, calculate the different variants and evaluate their consequences. All of this with the greatest scientific base we are capable of giving. The more serious, profound and multifaceted our studies are, the larger the number of factors considered, the larger the number of possible variants we analyze, the more profound the scientific base of all the programs we prepare, the fewer shall be the errors we can commit.

We must also perform our work on realistic and established bases. The objectives we set for ourselves cannot be the sum of a fantasy of our desires and dreams, but rather the result of an examination of our needs together with our possibilities and with the trends that can be foreseen in the development of the various factors. We must be objective, profound, cautious and responsible in the goals we set for ourselves and in the commitment which we will propose the Party make before our people and before the world, as jealous guardians of the prestige and authority it has amply won before the masses.

To achieve success in our work, its strictest organization becomes necessary, the unity of the efforts of officials of planning groups of all central organs and the local organs of the People's Government, the workers and scientists of all specialties is required, having as a permanent orientation the economic policy established in the Program Platform, the specific directives given in the joint resolution of the political bureau and executive committee of the Council of Ministers, and the orientations of Comrade Fidel.

We are given the task of providing a technico-economic base for the development of our country, guaranteeing the most rational correlation of the various factors, and of proposing the solution, in order of priorities, to the economic-social objectives of the revolution. On us rests the responsibility of proposing strategy first, and then the long-range plan which will allow concluding the construction of socialism in our country and overcoming the heavy burden of underdevelopment.

Special attention must be given to the study of the direct and indirect consequences the proposals we prepare and the conclusions at which we arrive may have. In this effort the closest and most coordinated work among all the organs of the country is required, the greatest organization and the most precise discipline by all the various administrative links and the various officials is required for accomplishing the various tasks proposed.

We are not unaware of the real and objective difficulties which exist in the performance of these tasks. We know that they must be executed simultaneously with other responsibilities of no less importance: the preparation of the 1981-1985 plan, the preparation and execution of the annual plans for 1979, 1980, and 1981; the multiple and complex tasks in the application of the System of Directing and Planning the Economy, among which that relative to the reform of wholesale and collection prices is outstanding because of its decisive importance and its complexity, and above all else, we must also render accounts to the Second Party Congress. Likewise known are the difficulties faced on economic information with respect to its availability and its quality, the scarcity of personnel with enough skill and necessary experience, to which is added in this case the natural complexities of any new undertaking.

It is therefore necessary for an intensive effort to be made by all to accomplish this task. For this an indispensable requirement is--and in this aspect we ask for the cooperation of all the comrades, primarily the chiefs of the Central State Administration Organs--assurance that all the tasks are accomplished on the dates established, which is certainly not yet the usual practice among us. Not doing this is to conspire against the successful conclusion of this work, and in addition it will affect the fulfillment of the other economic tasks mentioned and whose work programs are duly compatibilized with that of the preparation of the development strategy.

Speaking before the National Assembly, Comrade Fidel stated: "We lack a program in the economic field that will become a banner of work for the entire country, for the leadership of the party and government, for all cadres, for all members, for the party and the mass organizations and for all the people." And he said that the next 5-year plan and this development strategy should become that economic program for all the people.

Some days before, when we were meeting at the JUCEPLAN to discuss matters having to do with the organization of this work, Comrade Fidel stated that even more than the 5-year plan, the development strategy could allow giving the people a 20-year picture and mobilize them to work for that. "It would allow us," said Fidel, "to have all our cadres in all their conversations, in all their work, in all their negotiations, in all their visits here to the people with whom they deal and all the people they attend to elsewhere, to inform everyone so that they would have a very precise idea on what we want to do, so that everyone in this country, all the cadres, all the ministers, all the deputy ministers, and all the delegations speak the same language." "Because," Fidel said, "never before have we had an instrument of that type."

And he warned us that this objective is a very serious challenge which requires a redoubling of the efficiency of all the cadres of the country, and that not only 10 or 100 men can work on this but that "we have to put tens of thousands of people to work for this strategy, all the political cadres, all the administrative cadres and all the economic cadres," and that we "shall have to give much more of ourselves than what has been given," concluded Fidel.

At this time we wish to express to Comrade Fidel, in the name of the worker force of the JUCEPLAN, and I dare to express it also, certain that I am interpreting their thinking and their sentiments, in the name of all of us, in the name of all the comrades of the central state organs, the political and mass organizations, the Local People's Government Organs, the comrades who directly make up the work committees created, and the rest of the comrades, who in one way or another must give their support and collaboration in this task, and moved additionally and particularly on this date, 16 October, on which the 25th anniversary of the historic argument you made before the court which was trying you for the attack on Moncada Barracks (applause) is celebrated, that we shall multiply our efforts, that we shall work with the same zeal as the economists, leaders and functionaries of the victorious revolution of October, when under the leadership of Lenin in 1920, still under the conditions of the civil war, with less experience than we and without foreign help which we have today, in only 10 months prepared the electrification plan for all of Russia, the plan for creating the base for the socialist economy in a period of 10 to 15 years thus putting together the first future plan in history.

We are willing, Comrade Fidel, to give much more of each one of ourselves than we have given up to now so that we may offer you, the party and the revolution that instrument and that banner!

Thank you very much (applause).

CUBA

ACTION COLUMN LODGES COMPLAINTS AGAINST WASTE, SHODDINESS

New Building Collapses

Havana GRANMA in Spanish 5 Oct 78 p 3

[Article by Reynold Rassi: "Main Cistern of Poultry Slaughterhouse Collapses Less Than Three Months After Its Inauguration"]

[Text] A modern poultry slaughterhouse with a capacity for processing over 20,000 fowl per work day was inaugurated recently. The facility is located along the superhighway, about three kilometers from the San Antonio de los Banos highway junction. This item is not news today, for it was published some time ago.

But, less than three months later, the San Antonio de los Banos poultry slaughterhouse reappears in the news, this time as a case for the "By Return Mail" complaints column.

Last Tuesday, Eduardo Garcia Hernandez, assistant security director of the Poultry Enterprise of San Antonio, and Nelson Infante, slaughterhouse manager, informed this section that due to deficiencies in its construction, the plant's main water tank collapsed, affecting production and paralyzing work for two days, with consequent losses to the economy.

As reporters from "By Return Mail" who visited the slaughterhouse at the request of comrade Eduardo Garcia himself, we were informed that the plant--which cost some 5 million pesos to install--was inaugurated last 24 July. The slaughterhouse is the second one of its type in the province of Havana and also serves the city of Havana.

They stated that Brigade 23 of the Industrial Construction Projects Enterprise No 2 was in charge of the bulk of the work, which took a little over three years, and that the plant's builders had left numerous parts of the slaughterhouse incomplete, which they should have finished and have not yet done so.

Eduardo Garcia and Nelson Infante stated that last 24 September, due to deficient construction, the plant's main cistern--built in the shape of a bay and holding 1,000 cubic meters of water--suffered the collapse of one of its walls, which is some 4 meters long. Other walls cracked, causing flooding in some parts of the plant.

This situation shut down the slaughterhouse for two days, leaving over 40,000 chickens unprocessed and therefore unavailable to the public.

The administrative officials said that the next day they informed Industrial Construction Projects Brigade 23, who came a day later. They said that on 26 September they began work but installed only the coupled turbines to pump water to the main tank. For this reason, the turbines must run almost all day, which affects the equipment. Also, the repair was only a temporary solution and did not solve the problem.

They said that the comrades of the construction brigade agreed to return on 27 September to repair the collapsed cistern and to finish other pending work, but they have not returned.

Also, they told the reporters that because of deficient construction, the walls of the plant that treats residual waters cracked due to a shift that happened long before the plant began operations. Later, a temporary repair was made that consisted of raising the level of the floor where the cracks in the walls had occurred.

They also explained that this whole situation could cause the shut down of the slaughterhouse, which employs more than 200 workers. At the same time, this would mean having to distribute live poultry in some areas and would cause serious difficulties to the poultry farms as well.

Finally, Eduardo Garcia and Nelson Infante stated that the whole situation has been reported to the Principal Poultry Administration and to the Ministry of Agriculture.

Imported Fish Left to Spoil

Havana GRANMA in Spanish 5 Oct 78 p 3

Text 2 October 1978, "Year of the 11th Festival," Comrade Oscar Fernandez Mell, President of the Provincial Assembly of People's Power, City of Havana.

Re: Report on the situation that occurred with the salmon and sturgeon that spoiled at Jose Marti airport, and on the Provincial Food Supply Enterprise's participation in this situation.

Comrade: On Friday afternoon, 22 September, a call was received in the Office of the Provincial Food Supply Enterprise from Restaurant Enterprise No 1 of the Gastronomy and Trade Administration, asking whether we knew about a shipment of salmon and sturgeon that was at the airport.

On Saturday morning (at approximately 1100 hours), a call came again, from Comrade Jose Mirabal, director of that enterprise, repeating the same question, to which we replied that we had no knowledge of that shipment. However, the comrade gave us the telephone number of Santiago Rodriguez, an official of Domestic Trade and of the Meats and Fats Administration (61-1446).

On Monday morning 25 September we succeeded in contacting comrade Santiago Rodriguez, who gave us the telephone number of the Airport Freight Department (62-4021, etc. 2161) and told us to speak with Suarez or Marcial. We were able to reach comrade Penalver at the airport, who told us that we should bring document OP-2 in order to pick up the products.

Since we did not know who had the aforementioned OP-2, comrade Penalver gave us the telephone of ALIMPORT /Cuban Enterprise for Import of Foodstuffs/ (70-2450), and there we spoke with comrade Milian, who informed us that comrade Santiago Rodriguez of Domestic Trade had that document and that he did not know the procedures that he, Rodriguez, had to follow, having the document in his possession.

Immediately we spoke with comrade Santiago Rodriguez, who informed us that he had the OP-2 and that he could give it to us so that we could go pick up the shipment. We were to come to him at the address where he works (Havana No 258, 3rd floor--between Empedrado and San Juan de Dios), Domestic Trade Ministry.

We agreed to send our comrades to pick up the document.

Later that same day, at 1540 hours, we received a call from the comrade himself stating that their enterprise (Domestic Trade) would pick up the product at the airport and distribute it.

We wish to indicate to you:

1. That our enterprise does not carry products directly from the airport, that is, arriving from overseas, except through Domestic Trade.
2. That Restaurant Enterprise No 1 is not responsible for the circulation of any product in the city of Havana, and therefore has no responsibility in this matter.

Recently a meeting was held in the Domestic Trade Administration with comrade Tubau, vice minister of Foods, and the comrades who take care of this activity in the agency itself, the People's Power Supply Administration and comrades from the Foods Enterprise Administration. At this meeting it was made absolutely clear that every effort was made on our part to solve this problem.

Therefore, we feel we have no responsibility in this matter.

On Friday 29 September, a cargo of 492 kilograms of the same product arrived from Moscow at 0200 hours. Our enterprise was notified and the shipment was picked up at 0930 hours the following day.

Attached is a table showing how the above-mentioned products have been transported historically.

Sincerely,

Angel M. Novo Chaple
Provincial Supplies Administration
People's Power
City of Havana

Valuable Equipment Abandoned

Havana GRANMA in Spanish 6 Oct 78 p 3

[Article by Sofia Fonseca F.: "Valuable Equipment Abandoned in the Domingo Fernandez Quarry"]

[Text] The case that is published in this section today concerns a CD-10 Richard Continental bulldozer which has been abandoned for more than four years at the Domingo Fernandez Quarry No 2118, located on the Central Highway at kilometer 40 and 1/2 in Loma de Blanquizar, a town in Caimito.

This powerful piece of equipment, serial number BE 009989-1969, worth several thousand pesos, was being used to move earth and rocks, an absolutely indispensable task in order for the crane to be able to its part in the work of a quarry.

When reporters from "By Return Mail" went there to photograph the bulldozer, they spoke with a group of workers who also said that the equipment had broken down because of an oil leak and problems with the motor. Now, however, it is practically ruined.

At this time the section does not know why the quarry's management maintains the equipment in such condition, for when they tried to talk with the production manager--who we were told is Euripides Perez Perez--he refused to offer any information.

CUBA

RADIO HAVANA DENOUNCES U.S. MEDIATION IN NICARAGUA

Havana International Service in Spanish 2310 GMT 3 Nov 78 PA

["Our America" commentary]

[Text] The Nicaraguan people are fully aware that the mediation organized by U.S. imperialism has the main objective of shoring up tyrant Anastasio Somoza. In the past few weeks the idea that the United States--criticized by international public opinion as a result of its support for the Somozist dynasty--could encourage a change in policy in order to save the neocolonial regime has faded. The mediation no longer seems to be looking for Somozism without Somoza but the maintenance in power of the bloody tyrant against the will of most of the Nicaraguan people. Nothing else could be expected from the imperialist mediation. The mediation began amid the heroic battles of the Nicaraguan people and at a time when the people's armed struggle had spread to almost the entire territory of the fatherland of the general of free men, Augusto Cesar Sandino.

It is clear that as occurred in Cuba in the last stages of the dictatorial regime of Gerardo Machado in 1933, the imperialist mediation in Nicaragua seeks at all costs to obtain a nonrevolutionary solution to the economic, political and social crisis. The powerful interests of the transnational companies and the Nicaraguan financial bourgeoisie implemented the mediation as an urgent measure provoked by the seriousness of the events and to prevent an outcome that was not in accord with Washington's neocolonialist strategy.

As the events now prove, the U.S. mediation policy in Nicaragua was never a measure aimed at helping the brave Nicaraguan people, at stopping the crimes and gross violations of human rights and much less at contributing to the establishment of a democratic and popular government in that Central American nation.

The so-called mediation which the Nicaraguan people describe as intervention is aimed at preserving the current structures of power, preventing the overthrow of Somoza, maintaining intact the national guard and stopping and dividing the growing popular opposition, the vanguard of which is the Sandinist national liberation front.

The honest sectors of the small Nicaraguan bourgeoisie which participated in the negotiations with the hope of achieving a provisional national unity government have withdrawn from the talks and have denounced the interventionist aims of the mediators. The withdrawal of the group of 12, represented by Sergio Ramirez Mercado, from the negotiations has dealt a hard blow to the imperialist mediation and has once again revealed the interventionist and pro-Somozist policy of Washington.

Mediation and negotiation with Somoza are synonymous with counterrevolution. The dialog with the clique which killed more than 3,000 Nicaraguans is an affront to the heroic people who unleashed the popular war to liquidate the Somozist dynasty and to establish a democratic government that will lead that long-suffering nation to real changes of progress and freedom.

The failure of the mediation should become a new victory of the Nicaraguan patriots just as, undoubtedly, the September events, which showed the heirs of Sandino the true path that leads to victory, were. The truce promoted by imperialism to give respite to the assassins of Managua and to try to crush the just people's rebellion will not be prolonged beyond the moment when the patriots renew the combat which has the moral and political support of all peoples.

CSO: 3010

CUBA

CUBA REITERATES SUPPORT FOR NONALIGNED AGREEMENTS

Havana Domestic Service in Spanish 1512 GMT 3 Nov 78 FL

[Text] At the United Nations, Cuba has reiterated its support for the agreements of nonaligned states which advocate the need for strengthening relations and ties among developing countries for their socioeconomic growth. In a speech at a meeting of the social, humanitarian and social affairs committee, Cuban delegate Luis Gomez Anzardo stated that our country supports economic cooperation and technical assistance to other underdeveloped countries as principles of internationalist solidarity, within the limits of its possibilities.

He said that economic and social development contributes to the preservation of an honorable and lasting peace for all peoples, in accordance with the principles of peaceful coexistence and general and total disarmament. Gomez Anzardo gave a broad outline of the progress made by Cuba in the socioeconomic field since the triumph of the revolution in 1959.

He stressed that the revolution's triumph had been consolidated despite the criminal economic blockade and armed aggressions, such as the Playa Giron invasion and the sabotage of agroindustrial plans. He indicated that the anarchic conditions of the capitalist production system, which had kept the country in a state of economic and political underdevelopment in the international order as well as in a state of shameful dependence on North American imperialism, had been overcome. He added that in just a few years Cuba has achieved great gains in production and, above all, in the foundation for future development. Gomez Anzardo referred to the progress made in the cattle industry and the relations between the present industrial development and exploitation of natural resources.

CSO: 3010

CUBA

FAR FIELD ARTILLERY MARKS ANNIVERSARY

Havana Domestic Service in Spanish 1145 GMT 2 Nov 78 FL

[Text] The 18th anniversary of the creation of the field artillery units of the Revolutionary Armed Forces [FAR] is being commemorated today. On this occasion the FAR artillery chief notes that 18 years ago, in response to an appeal by our commander in chief and on the verge of the first aggressions of imperialism, Cuban youth heroically and determinedly responded to the appeal to begin training to operate the equipment received as a result of the solidarity and timely aid of the socialist camp, especially of the Soviet Union.

The document recalls that the field artillery troops have been present, together with the people, in all victories over imperialism, from Playa Giron, the "struggle against bandits" and more recently in the successful fulfillment of internationalist missions to the heroic victories of the fraternal peoples of Angola and Ethiopia. Eighteen years have elapsed, it adds, and with the same spirit and perseverance of those days, what today is the principal firepower of the ground troops has been fully developed. It notes that the achieved quantitative and qualitative development has made it possible for the field artillery units to possess a high degree of combat readiness and to be ready to fulfill as many missions as the party and the commander in chief may assign to them.

In closing the declaration of the FAR artillery chief states: As we approach the commemoration of the 20th anniversary of our revolution's triumph, we wish you successes in the fulfillment of future tasks, and exhort you to dedicate to such an important anniversary the fruit of your selfless efforts in raising the level of combat readiness and training.

CSO: 3010

CUBA

FRENCH REPORTAGE, PICTURES OF CUBAN ARMY IN ETHIOPIA

Paris PARIS MATCH in French 13 Oct 78 pp 98-101

[Text] No one was unaware that Cuban advisers were fighting in Ethiopia. But for the first time, a Western photographer has been able to photograph them. Bernard Couret spent three weeks in the fatherland of Colonel Mengistu. Thanks to the issuance of a special permit, he was able to visit the province of Harar, just where the fiercest battles in the recent war between Somalia and Ethiopia took place. Cuban units are still stationed there. "A few kilometers to the south of Jijiga, where the scars of the battle are still visible," Bernard Couret reported, "our Landrover plunged doggedly across the prairie. We traveled for a half-hour. At a bend in the road we came upon the first heavy artillery battery, entirely made up of Cubans. The barrels of five or six guns of respectable size were aimed at the sky. A little farther back, small green one-man tents sheltered the artillerymen and gunners. The conditions of life are very harsh. Water is brought from Jijiga every day by tank trucks. There is only one distraction--interminable games of volleyball. For the arrival of Fidel Castro, whose photograph, seated on the throne of the negus, PARIS MATCH published last week, the Cuban soldiers decorated their camps with revolutionary slogans, almost all of them referring to 'the unbreakable friendship between Cuba and Europe' [sic].

"Suddenly, from behind a hillock, I saw a long column of heavy T-62 tanks appear, to the accompaniment of artillery salvos. The days preceding the arrival of Fidel Castro, the guest of honor at the celebrations held in honor of the fourth anniversary of the Ethiopian revolution, were in fact marked by a number of military maneuvers in which the most modern war materiel from the Soviet Union was mobilized.

"The Cubans, of whom there are said to be twelve or thirteen thousand, are training the Ethiopian army. But they do not content themselves with military tasks. They also serve as doctors or civilian advisers in various sectors of the administration. 'Did you volunteer to come and fight in Ethiopia?' I asked an artilleryman who spoke remarkably good French. 'We are all volunteers,' he told me.

"As we spoke a Landrover came toward us and braked in a cloud of dust. A high-ranking Soviet officer in green fatigues got out and joined the high-ranking Ethiopian and Cuban officers. If the Soviet and Cuban presence is obvious on the former Somali-Ethiopian front, it appears that it is much more of an issue where the Ethiopian units fighting in Eritrea are concerned. In fact, Moscow and Havana have just come out in favor of a negotiated political solution to the conflict."



Photograph on page 100, left: This communications specialist gives his instructions in Spanish.



All the gunners in this heavy artillery battery are Cubans. They are celebrating the fourth anniversary of the Ethiopian revolution which overthrew the negus in their own way.



« Briefing »
 au sommet: l'officier
 soviétique (à droite), interrogé
 par son collègue éthiopien
 cubain (à gauche) et l'interprète
 russe.

Top-level briefing. The Soviet officer (on the right) is questioning his Cuban (back to the camera) and Ethiopian counterparts. The Russian interpreter is on the left.

CUBA

SEMINAR DELEGATES VISIT MATANZAS LIVESTOCK FARM

Matanzas Domestic Service in Spanish 1700 GMT 3 Nov 78 FL

[Text] Representatives of 16 Latin American and Caribbean countries who are participating in the international seminar on genetic improvement and artificial insemination being held since Monday at the Atlantico Hotel in Santa Maria del Mar yesterday visited the Matanzas Livestock Breeding Enterprise. The visit was to ascertain the level of development achieved by this livestock enterprise since its founding.

(Guy Chapon), permanent representative of the UN Food and Agriculture Organization (FAO) in Cuba, Hermenegildo Curbelo, chairman of the seminar's organizing committee, and other delegates to the seminar--which is being sponsored by FAO and the Swedish International Development Agency [SIDA]--participated in the visit.

At the Fermina Theater in the Triunvirato community, Jose Llanusa Gobel, director of the Matanzas Livestock Breeding Enterprise, welcomed the delegates. He also outlined the history of the area and briefed them on the livestock growth in the area since 1970 as well as on milk production which is expected to reach 42 million liters of milk this year.

Thereafter, the delegates visited Dairy No 12, a breeding center and the October Primary School and Rebellion de Triunvirato Junior High Farming School where they were welcomed with the joy and discipline that characterize Matanzas students.

CSO: 3010

BRIEFS

FLOOD DAMAGE IN REMEDIOS--Havana, 3 Nov (EFE)--Remedios, located in the middle of Cuba and one of the oldest towns in the country, suffered property damage estimated at 1.6 million pesos (\$1,168,000) as a result of the recent floods, said reports received here on Friday. The local music school building, over 200 years old, completely collapsed, as did the building in which Maximo Gomez, Cuban liberation army commander in chief, signed the order discharging the independence troops at the war's end. Remedios municipal authorities said that the situation is "serious" and announced that some 1,000 houses had been seriously damaged by the waters and that 100 other houses were completely destroyed. All the city's outskirts, considered a historical area, have been damaged and the floods have caused serious damage to the commercial and communications network. Studies urgently prepared by specialists refuted rumors that an underground lake or river existed exactly under the city and could cause its collapse. [Text] [Madrid EFE in Spanish 1611 GMT 3 Nov 78 PA]

MINISTER IN CURACAO BANNED--Georgetown, Fri--Cuban deputy minister for fisheries, Mr Also Margolles, flying to Guyana for talks with government officials, was prevented from changing planes in Curacao last week and had to travel to Holland, arriving here 4 days later than scheduled. The story of the deputy minister's jaunt to Europe for the short Havana-Georgetown journey was told CANA today by official sources. A 10-member motorcycle team enroute here through Panama to take part in an international motor racing meet this week-end in Guyana were unable to take up their reservations on the Dutch airline, KLM. The airline had reportedly been instructed not to take Cuban travellers through Curacao even intransit. Two Cuban clergymen were refused permission to deplane in Curacao last week where they were due to attend a consultation by the Caribbean Conference of Churches (CCC). [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 28 Oct 78 p 2 FL]

CASTRO ATTENDS BALLET--Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and chairman of the Council of State and Council of Ministers, last night attended a gala performance of the Cuban National Ballet at the Garcia Lorca Theater in Havana. In last night's program, the sixth of the International Ballet Festival, Prime Ballerina Alicia Alonso brilliantly performed her version of Giselle, at the conclusion of which

she received prolonged applause. This performance was dedicated to the commemoration of her debut in the leading role of this classic work 35 years ago. Also attending the Garcia Lorca performance were PCC Central Committee members, culture deputy ministers and personalities who have been invited to the Sixth International Ballet Festival in Cuba. This festival is dedicated to the 30th anniversary of the founding of the Cuban National Ballet, whose dancers gave a great performance last night, demonstrating the high degree of mastery they have attained. [Text] [Havana Domestic Service in Spanish 1100 GMT 3 Nov 78 FL]

PCC MEMBERS TOUR CAMAGUEY--Guillermo Garcia Frias and Pedro Miret Prieto, both members of the PCC Central Committee Politburo, this morning toured Camaguey Municipality, accompanied by Antonio Enrique Lusson, member of the PCC Central Committee and minister of transportation. Central Committee department chiefs of transportation, construction and industry; and Lazaro Vazquez Garcia, party second secretary in Camaguey Province, visited the expansion project at Ignacio Agramonte International Airport. During their tour they studied the construction project under way at this installation which will be used with Jose Marti Airport in Rancho Boyeros in arriving and departing international flights. During their visit to Camaguey Municipality they also went to "Centro Oeste" Railroad Parts Enterprise where the director of the plant, Luis Caballo, briefed the visitors on the main activities carried out at this entity. Later in keeping with their schedule, the members of the PCC Central Committee Politburo went to other priority projects in Camaguey Province. [Text] [Havana Domestic Service in Spanish 0000 GMT 3 Nov 78 FL]

HERRERO MEETS GDR PROFESSOR--Antonio Perez Herrero, member of the PCC Central Committee Secretariat, has met with Professor, Dr Guenter Heyden, director of the GDR Institute for Marxism-Leninism. Fabio Grobart, director of the History Institute of the Cuban communist movement and socialist revolution, participated in the meeting along with Heinz Langer, GDR Ambassador to Cuba. Dr Guenter Heyden expressed his thanks for the warm welcome he received, and he stated that he has been impressed with everything the PCC had done through the Cuban institute in safeguarding the true revolutionary traditions of the party and worker movement. For his part Antonio Perez Herrero took an interest in the results of the joint work meetings and went over some aspects of the operations and work carried out by the party through the Cuban institute which was established in 1973. [Text] [Havana Domestic Service in Spanish 2230 GMT 3 Nov 78 FL]

MATANZAS MARKS ANNIVERSARY--The 61st anniversary of the Great October Socialist Revolution was marked in Matanzas last night with an aktiv at the Sauto Theater with the participation of hundreds of Matanzas residents and scores of specialists from the Soviet Union and other socialist countries who are residing in this province. Officiating at the event were provincial party first secretary Julian Rizo Alvarez and Reynaldo Castro Yedra, both members of the PCC Central Committee. Major General Anatoliy (Bilikov), chief of Soviet specialists in the central army, made the opening remarks.

He said the Soviet people, under the direction of the party, are advancing to the time when socialism, in one or another concrete and historic way, will become the prevailing system on earth bringing with it peace, liberty, equality and well-being to all mankind. Antonio Rodriguez Maurel, chairman of the Provincial People's Assembly, made the closing remarks. He noted the presence of a group of Soviet specialists who contributed to the building of socialism in Cuba. Rodriguez Maurel voiced his gratitude to them and to all the Soviet people. [Text] [Matanzas Domestic Service in Spanish 1700 GMT 2 Nov 78 FL]

BELORUSSIAN DELEGATION IN CAMAGUEY--A delegation from the Belorussian SSR has arrived in Camaguey to participate in activities marking the 61st Anniversary of the Great October Revolution beginning today in Camaguey Province. The delegation is made up of political, scientific, cultural personalities and representatives from the trade union and peasant movements from that sister republic of the USSR. [Excerpt] [Havana Domestic Service in Spanish 2043 GMT 31 Oct 78 FL]

BELGIAN POLITICAL LEADERS--Jaime Crombet, member of the PCC Central Committee, has met in Brussels, Belgium with the chairman of the Belgian Communist Party who gave him an extensive briefing on his country. Crombet also met G. Krevelo, national secretary of the Flemish Socialist Party, and exchanged information on their respective organizations. [Text] [Havana Domestic Service in Spanish 0000 GMT 2 Nov 78 FL]

BARACOA NATIONAL MONUMENT--The city of Baracoa today has declared a national monument at a public ceremony by Armando Hart Davalos, member of the PCC Politburo and minister of culture, and Deputy Minister of Culture Antonio Nunez Jimenez, who made the closing remarks. Nunez Jimenez read National Monuments Committee resolution three which declares Baracoa a national monument. He said that this city in Guantanamo Province has had a great tradition of struggle throughout 5 centuries and that its historic worth is based not only on being the first Cuban city but also the first one founded by Europeans in America. [Havana Domestic Service in Spanish 2302 GMT 4 Nov 78 FL]

LENINGRAD PARTY DELEGATION--A Soviet delegation headed by Vladimir M. Kapustin, first secretary of the Communist Party in Leningrad, has arrived in the city of Santiago de Cuba to participate in activities marking the 61st Anniversary of the Great October Socialist Revolution. On 9 November the delegation will inaugurate the exposition "on the paths of the armed insurrection of Petrograd." [Excerpt] [Havana Domestic Service in Spanish 0000 GMT 5 Nov 78 FL]

AMBASSADOR TO AFGHANISTAN--Havana (AIN). The Council of State has appointed Raul Garcia Pelaez, a member of the Cuban Communist Party's Central Committee, to be extraordinary and plenipotentiary ambassador of the Republic of Cuba to the government of the Democratic Republic of Afghanistan. [Text]
[Havana GRANMA in Spanish 5 Oct 78 p 1]

8631

CSO: 3010

NATION'S HYDROELECTRIC RESOURCES DESCRIBED

Lima CARETAS in Spanish 18 Sep 78 pp 64-66

[Text] The vast hydroelectric resources in the country's three natural regions offer a technically utilizable potential of around 48,600 megawatts, which would be enough to meet the demand for electricity beyond the year 2000, thus assuring our future comprehensive development.

Some of them, such as the Santa, Mantaro, Laguna Aricota rivers, etc, are already furnishing their valuable support, through the major hydroelectric powerplants that have been built on the coast and in the sierra, thanks to that prestigious scholar in this field, Santiago Antunez de Mayolo, whose name has been given to the main electricity project being built at Huancavelica, which utilizes a waterfall that he discovered on the Mantaro River.

Even with the developments in the sierra and on the coast, it is in our Amazon jungle region where the largest source of energy lies, thanks to a series of waterfalls on the abundant Huallaga, Marañon and Ucayali rivers that will enable us to have an installed capacity of 24,000 MW for the long-term future, that is to say, by the year 2000.

Naturally, major investments are required to utilize these resources, in other words, to build large powerplants. To this end, great importance is attached to finding ways that the joint efforts of the state, private and foreign investment and ELECTROPERU's [Peruvian State Electricity Enterprise] own resources can, with appropriate debt levels, arrive at a comprehensive solution and give the necessary priority to these projects, thus guaranteeing a vital electricity infrastructure for the country.

A conservative analysis of demand done by ELECTROPERU indicates that for the short and medium terms alone (1978-1987), in order to cope with its increasing needs, Peru requires 2,100 more megawatts of installed capacity than at present and a transmission system, the total cost being somewhat more than \$1.6 billion, or \$163 million per year. This would be to meet a demand that would rise at a rate of seven percent a year during the period in question.

For purposes of comparison, if we had to install 2,100 MW of oil-burning powerplant capacity, we would consume annually 17 million barrels at a cost of \$230 million a year, which is more than the \$163 million required for the aforementioned hydroelectric projects. To this we would have to add another \$1.1 billion to purchase the electricity generating equipment.

Thus, the investments for hydroelectric powerplants are much less than would be needed to build, outfit and run oil-burning thermal powerplants, which have a very short useful life (no more than 10 years), in comparison to the hydroelectric plants (50 years), and are big users of fuel, which is what the state enterprise is trying to avoid.

Aside from utilizing water-generated energy, the sources of which are to be found all over the country, another advantage of hydroelectric plants is that they have a useful life of more than a half century, while furnishing renewable, clean and timely energy.

Prospects for Development

Current installed hydroelectric capacity (1,515 MW as of last year) is about 3 percent of total nationwide hydroelectric resources (48,650 MW). This alone indicates Peru's enormous prospects for electricity development in order to support our industrial "takeoff," in accordance with the goals set forth by the government.

The projects for coal-based thermoelectric powerplants are also highly promising, and one of the main studies, the one on Alto Chicama in the department of La Libertad, is at an advanced stage. An installed capacity of 480 MW is projected for this powerplant.

Beyond 1987, ELECTROPERU studies indicate that an additional 2,300 MW of electrical energy will be needed by 1990 and an additional 4,100 MW by 1995.

Therefore, the enterprise is exerting great efforts to carry forward a series of development projects, despite the serious financial difficulties confronting the country, in order to resolve the electricity supply problems that are being faced not only by small towns but also the main departmental and provincial capitals. And this does not take Lima into account, which constitutes a special problem in itself, given its far-reaching importance in our country.

This is why the enterprise has to speed up its projects for new hydroelectric powerplants and for expanding other transmission and linkup lines scheduled for the short and medium term. The purpose of this is to avoid having to use oil-based thermal energy and to meet the requirements of the new manufacturing plants that will be built pursuant to the economic reactivation measures taken by the government.

Change in Energy Outlook

Since the creation of ELECTROPERU in 1972, the country's energy outlook has changed considerably, because along with the studies on and the construction of major electricity-generating projects (in addition to expansions), the enterprise is involved in another major task.

This task is the linkup of its electricity systems for a better utilization of its resources and the transmission of large amounts of energy over long distances for the benefit of the country's urban and manufacturing centers.

However, it is only at the outset of this major task, because a great deal of investment is required to carry out this program to set up an electricity network linking the coast, the sierra and the jungle.

The initial step is in the central region, with the starting point being the Santiago Antunez de Mayolo Powerplant, the energy from which reaches Lima and extends throughout the south central area up to the mining settlement at Marcona.

Construction has just begun on the Lima-Chimbote transmission line, which will link three major systems: the central region system made up of the Mantaro Powerplant and the network of powerplants of Electrolima and Hidrandina; the Cahua-Paramonga system, and the north central system consisting of the Canon del Pato hydroelectric powerplant and the Chimbote and Trujillo thermal powerplants.

When this undertaking is completed (within 30 months), we will have linked up more than 50 percent of our coastal territory, from Marcona to Santiago de Cao in Trujillo.

Urgent Projects

The following are the urgent projects that ELECTROPERU is currently engaged in in the short and medium term and that merit full support, inasmuch as their startup coincides with that of other production projects in various sectors:

The first and second stages of the Mantaro Hydroelectric Powerplant; the Restitucion Hydroelectric Powerplant; the Canon del Pato Hydroelectric Powerplant; the Charcani V Hydroelectric Powerplant; the Machu Picchu Hydroelectric Powerplant; the Carhuaquero Hydroelectric Powerplant; the Alto Chicama coal-based thermal powerplant; the hydroelectric powerplants of the Chira-Piura system; the Iquitos Thermal Powerplant; the Pucallpa Thermal Powerplant; the Majes Hydroelectric Powerplant (first stage); the Yuncan Hydroelectric Powerplant; the Olmos Hydroelectric Powerplant (first stage) and the El Chorro Hydroelectric Powerplant.

There is also an urgent need to construct the following transmission lines: Mantaro-Pachachaca-Callahuanca; Arequipa; Toquepala; Pomacocha-Pachachaca (linkup with the Central Peruvian Mining Enterprise); Mantaro-Lima; Machu Picchu-Cusco-Tintaya; Trujillo-Chiclayo-Bayovar and Bayovar-Piura.

The emergency solutions, which require the exclusive use of petroleum, consist of the following projects: steam and gas equipment for Arequipa; diesel equipment for Piura and Chiclayo; remodeling and expansion of the Iquitos and Pucallpa thermal powerplants; expansion and remodeling of the Trujillo, Huancayo and Tumbes distribution networks; diesel equipment for Huacho, Huanaco, Ayacucho and isolated locations, and lastly, remodeling the distribution networks for the cities of Puno and Chimbote.

The construction of these generating projects and transmission and linkup lines, along with the aforementioned emergency solutions and the studies for various projects on tap, will, first of all, take care of the above mentioned cities, which have been faced with problems involving either generating or distribution networks.

In addition, they will insure that a series of mining, industrial, agricultural and other production projects are carried out. Some of the mining projects are: Tintaya, Ferrobamba and Chacabamba in the southeast region; Cerro Verde, Toquepala and Cuajone in the southwest; the new lead agglomeration plant at La Oroya and the linkup with the Central Peruvian Mining Enterprise; the Bayovar refinery; the development of the Alto Chicama mining center; the Antamina and Michiquillay mining centers in the northern area of the country.

Some of the major industrial projects that will need electrical energy include: gray iron and nodular casting; automotive molds; the integrated petrochemical complex; the newsprint project; the sodium carbonate project; the bleached pulp project; the sodium tripolyphosphate project; the pharmaceutical project; the air compressors project and the direct adduction project. All of these are in the north, and we have left out the comprehensive expansion of the Chimbote iron and steel plant, which is scheduled for later.

We should also mention the Amazonia project in San Martin; the project to expand the Yura cement factory in Arequipa; the improvements on the Cemento Andino factory in Junin, and the expansion of the Cemento Lima factory.

To these we should add the development of multi-purpose projects such as Majes, where major investments have already been made; the Olmos project and the Chira-Piura system project, which could then be taken advantage of.

We should mention that with available electrical energy we would have the potential for an electricity-based mass transportation network (a subway or some other system), which would then save some of the 18,000 barrels a day of fuel used by automotive vehicles in Lima.

It would also facilitate the development of industrial projects such as for the production of aluminum and electrochemical items, etc, with a high proportion of electrical input to be furnished by the new plants.

The implementation of all these projects, especially the short and medium term ones, is possible now thanks to the recent step taken by the government, Decree Law 22260, pursuant to which the state, via the Ministry of Economy and Finances, has assumed the very sizable Mantaro debt, with which the enterprise was born 6 years ago.

This measure puts ELECTROPERU in a position to continue the electricity generating projects that it has on tap for the short-, medium- and long-term, thus guaranteeing a secure supply of electrical energy, which is the very foundation of integrated development.

We should also note the issuance of Decree Law 22259, which grants ELECTROPERU payment terms for the customs duties and taxes on the imported machinery and equipment to be used in the expansion of the Canon del Pato Hydroelectric Powerplant (third stage), over a period of 4 years.

This means that work on this project can continue uninterrupted and conclude on schedule, thus benefiting the entire north central part of the country, where explosive industrial and urban development has been going on.

We should also stress the decisive support that the enterprise has had from its parent organization, the energy and mines sector, the head of which, Army Maj Gen Juan Sanchez Gonzales, has had a lot to do with the attainment of these objectives.

PERU

APRA CO-FOUNDER MAKES FIRST ASSESSMENT ON ASSEMBLY

Lima CARETAS in Spanish 18 Sep 78 pp 21-22

[Article by Luis Alberto Sanchez]

[Text] On Friday 18 August, exactly 30 days after the establishment of the Preparatory Boards of the Constitutional Assembly, 20 days after their official establishment and 11 days after they actually began working, their bylaws were approved, without which it would have been impossible for the Constitutional Assembly to function. The experience has been a difficult one. The cause of the delay was without doubt the excessive rhetoric on issues foreign to the specific purposes of the assembly, rhetoric voiced by the self-proclaimed "left," although the way that it has acted, postponing the effective satisfaction of the people's most longstanding and structural demands, would lead us to think otherwise.

In accordance with a provisional recount that I did in a speech on 15 August, up to that time and leaving aside the speeches directly connected with the bylaws during the debate, the tally of peripheral rhetoric was as follows:

The Worker-Peasant-People's Front (FOCEP), with 12 members, spoke 49 times.

The UDP [People's Democratic Union], with 4 members, gave 19 speeches.

The Socialist Revolutionary Party (PSR), 6 members, 18 speeches.

The National Front of Workers and Peasants, 4 members, 12 speeches.

In contrast, APRA [American Revolutionary Popular Alliance], 37 members and only 11 speeches.

The Popular Christian Party, 25 members, 9 speeches.

The Peruvian Democratic Party, 2 members, 3 speeches.

The UN [expansion unknown], 2 members and only 1 speech.

I repeat: We are not considering the occasions on which, in accordance with parliamentary practice and the bylaws of the legislative houses, the members of the Bylaws Commission spoke on that specific subject.

We were all expecting a flood of oratory during the first 2 weeks that the assembly was in operation; it was a natural thing. After 10 years of government muzzling and 4 years of a controlled press, the speakers had to abuse the right to speak. It was also to be expected that an attempt would be made to expand the assembly's scope of action and to include legislation among its activities. Furthermore, it was to be expected that the de facto executive, who convened the assembly, would continue to legislate by decree law, thus evincing his intention not to yield any of his spontaneous prerogatives and to abide by the letter of the decree that convened the assembly. All of this does not rule out the need to find a method of understanding and cooperation that, while not sacrificing inalterable principles, will enable us to serve the country and to make progress towards its permanent objectives and the definitive and complete institutionalization of democracy in Peru.

In any case, we ought to ask whether there is some secondary or tertiary purpose hidden behind the outpouring of rhetoric. It would seem so. The length of the speeches, the repeated irrelevance of the topics, the references that inevitably triggered sharp answers, would point to a clear-cut intention to discredit the assembly, thus demonstrating that civilians are incapable of working together in harmony and that the assembly's majority party votes but does not debate, in other words, that its conduct is totalitarian. On the other hand, in view of the upcoming general elections, which depend on how fast the assembly works, it might be possible that with these words and deeds they were trying to project an intractable, antisocial and authoritarian image of APRA and its leader and founder, Haya de la Torre. This would be an attempt to put **two-pronged pressure** on him: to force him to cut the debate short in order to focus it on the primary tasks of the assembly, in which case he would be accused of being a totalitarian; or so that he could not be so described, to induce him to show inordinate tolerance towards the orators of the sinister left in the attempt to identify him with those trying to sabotage the assembly. Discrediting Haya de la Torre would be one of the goals of that gasping oratorical campaign, and this was demonstrated by the coinciding personal attacks by two "left-wing" assembly members on Friday the 25th, the day that the bylaws were approved.

But all of these things are minor issues. The most important thing is to precisely determine the operational scope of the assembly. In his speech at Tacna, General Morales Bermudez, reiterating the arguments already voiced by the assembly, said that the Armed Forces Government is reserving the legislative and executive powers for itself. This might or might not be convenient. Of course it is not legal, but we are in an abnormal situation until the general elections are held. And we would not

know whether to choose that unpleasant reality or an assembly cleanly elected by the people and which would issue laws that ought to be promulgated by the de facto executive. Hence, the text of Article 3 is proper and promising.

The assembly now has its own field of action before it: to draw up a constitution. This does not definitively rule out other areas. A body elected by 3 $\frac{1}{2}$ million citizens under the conditions in which the 18 June elections were held unquestionably has a moral authority above all the existing powers and all of the overt and covert intrigue. This is a fact, which does not mean that great care should not be taken in connection with the ill-intentioned publicity regarding the assembly's role in the transfer of power. Those who are proceeding in this manner seemingly do not realize that they have unintentionally taken on the role of kamizakes, to the detriment of all of Peru's people.

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